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MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos

Mayor

REGULAR MEETING

Municipal Railway Headquarters

2640 Geary Boulevard

6:00 P.M.

January 8, 1991

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COMMISSIONERS

Rodel E. Rodis, President

Sherri Chiesa, Vice President

H. Welton Flynn

Arthur V. Toupin

Gordon Chin

DEPARTMENTS

Hetch Hetchy Project

Municipal Railway

Water Department

BUREAUS

Energy Conservation

Engineering and
Construction Management

Financial Management

Information Systems

Management Efficiency and
Productivity

Personnel and Training

Thomas J. Elzey

GENERAL MANAGER

Romaine A. Boldridge

SECRETARY

Call to Order: 6:16 P.M.

Present: President Rodel E. Rodis, Commissioner Sherri Chiesa,
Commissioner H. Welton Flynn, Commissioner Arthur V.
Toupin, Commissioner Gordon Chin

On motion of Chiesa, seconded by Chin, the Minutes of the regular meeting of December 11, 1990 and the special meeting of December 17, 1990 were approved.

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0001 WD Approving the AB797 Water Urban Management Update and authorizing the General Manager of the Water Department to forward the approved AB797 Update to the California Department of Water Resources as required by law.

VOTE: Ayes - Rodis, Chiesa, Flynn, Toupin, Chin

On motion of Chiesa, seconded by Flynn, the following resolution was adopted:

91-0002 MR Requesting the Controller to draw warrants in payment of claims against the Municipal Railway, totalling \$51,615.72.

VOTE: Ayes - Rodis, Chiesa, Flynn, Toupin, Chin

On motion of Chiesa, seconded by Flynn, the following resolution was adopted:

91-0003 WD Requesting the Controller to draw warrants in payment of claims against the Water Department, totalling \$126,589.83.

VOTE: Ayes - Rodis, Chiesa, Flynn, Toupin, Chin

On motion of Chiesa, seconded by Flynn, the following resolution was adopted:

91-0004 FM Approving collection of charges for damages for the month of November, 1990 against the San Francisco Municipal Railway from miscellaneous debtors in the amount of \$38,447.46 and write-off compromise reductions for comparative negligence in the amount of \$2,569.41; and Hetch Hetchy Water & Power collections from miscellaneous debtors in the amount of \$160.

VOTE: Ayes - Rodis, Chiesa, Flynn, Toupin, Chin

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26 31 91-0004 DE: FLYNN JAC
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RESOLUTION
NO.

On motion of Chiesa, seconded by Flynn, the following resolution was adopted:

91-0005 WD Accepting the work performed under San Francisco Water Department Contract No. WD-2029, 8-Inch Ductile Iron Main Installation in Clay Street between Webster and Baker Streets; approving Debit Contract Modification No. 1 in the amount of \$797.50; and authorizing final payment in the amount of \$11,600.13 to the Contractor, P & M Pipelines.

VOTE: Ayes - Rodis, Chiesa, Flynn, Toupin, Chin

On motion of Chiesa, seconded by Flynn, the following resolution was adopted:

91-0006 WD Accepting the work performed under San Francisco Water Department Contract No. WD-2045, 425 Mason Street-Sidewalk Freight Elevator Replacement; approving Credit Contract Modification No. 2 in the amount of \$19,000; and authorizing final payment in the amount of \$3,076.90 to the Contractor, Imperial Elevator Co., Inc.

VOTE: Ayes - Rodis, Chiesa, Flynn, Toupin, Chin

On motion of Chiesa, seconded by Flynn, the following resolution was adopted:

91-0007 WD Approving the plans and specifications as prepared and recommended by staff, and authorizing Bid Call for San Francisco Water Department Contract No. WD-2058, 8-Inch Ductile Iron Main Installation in Fourth Street between Market and Townsend Streets.

VOTE: Ayes - Rodis, Chiesa, Flynn, Toupin, Chin

On motion of Chiesa, seconded by Flynn, the following resolution was adopted:

91-0008 HH Approving the plans and specifications as prepared and recommended by staff, and authorizing Bid Call for Hetch Hetchy Water and Power Contract No. HH-827, Moccasin Afterbay Improvements.

VOTE: Ayes - Rodis, Chiesa, Flynn, Toupin, Chin

On motion of Chiesa, seconded by Flynn, the following resolution was adopted:

91-0009 HH Accepting the work performed under San Francisco Hetch Hetchy Water and Power Contract No. HH-780R, O'Shaughnessy Campground Facilities; approving Credit Contract Modification No. 1 in the amount of \$3,052.54; and authorizing final payment in the amount of \$12,989.13 to the Contractor, INA Construction.

VOTE: Ayes - Rodis, Chiesa, Flynn, Toupin, Chin

RESOLUTION
NO.

On motion of Chiesa, seconded by Flynn, the following resolution was adopted:

91-0010 HH Authorizing and approving the substitution of subcontractor Delaney Trucking for Gary Vaz Trucking to perform the trucking under Hetch Hetchy Water and Power Contract No. HH-817R, O'Shaughnessy Dam Leach Field.

VOTE: Ayes - Rodis, Chiesa, Flynn, Toupin, Chin

On motion of Chiesa, seconded by Flynn, the following resolution was adopted:

91-0011 HH Awarding Hetch Hetchy Water and Power Contract No. HH-821, Early Intake Dam Sluice Gate Well Repairs, in the amount of \$62,430 to Webco-Pacific, Inc., Santa Clara, CA.

VOTE: Ayes - Rodis, Chiesa, Flynn, Toupin, Chin

On motion of Chiesa, seconded by Flynn, the following resolution was adopted:

91-0012 MR Authorizing and approving the substitution of subcontractor, Interstate Grading and Paving, Inc. for A & E Paving, Inc. to perform the paving work under San Francisco Municipal Railway Contract No. MR-881, No. 31 Balboa Electrification - Trolley Coach Overhead Construction.

VOTE: Ayes - Rodis, Chiesa, Flynn, Toupin, Chin

On motion of Chiesa, seconded by Chin, the following resolution was adopted:

91-0013 MR Approving the plans and specifications as prepared and recommended by staff, and authorizing Bid Call for San Francisco Municipal Railway Contract No. MR-1035, Kirkland Motor Coach Facility - Security Fencing & Gates.

VOTE: Ayes - Rodis, Chiesa, Flynn, Toupin, Chin

On motion of Chiesa, seconded by Flynn, the following resolution was adopted:

91-0014 PD Approving the Non-Civil Service and Temporary appointments and removals as indicated on the Temporary Employment Activity Roster, for the month of November, 1990.

VOTE: Ayes - Rodis, Chiesa, Flynn, Toupin, Chin

RESOLUTION
NO.

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0015 UEB Authorizing the Manager of Utilities Engineering Bureau to negotiate and execute a professional services agreement with LS Transit Systems, Inc. to provide rail engineering services on a task by task basis, for an amount not-to-exceed \$1,000,000 for a term of two years.

VOTE: Ayes - Rodis, Chiesa, Flynn, Toupin, Chin

On motion of Chiesa, seconded by Toupin, the following resolution was adopted:

91-0016 FM Authorizing the Director of Finance to execute Amendment No. 1 to the Professional Services Agreement with J. W. Leas & Associates in an amount not-to-exceed \$30,000 for the development of new procedures for the Municipal Railway to maintain the Electronic Registering Farebox (ERF) system.

VOTE: Ayes - Rodis, Chiesa, Flynn, Toupin, Chin

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

New Business

President Rodis requested monthly summary reports on the activities of the different departments, bureaus and Office of the General Manager. President Rodis said he wanted a narrative report highlighting the general activities and issues pursued by the departments and bureaus so that he can get a sense of what staff is doing and indicated that these reports would only be a supplement to the existing reports that the Commission receives on a monthly basis. He also requested a list of the various committees on which PUC staff serve, whether or not the meetings are public, and what staff are members. President Rodis requested that this report be sent to the Commission by the first regular Commission meeting in February.

Public Hearing

Resolution No. 91-0001 - To consider approving the AB797 Water Urban Management Update and authorizing the General Manager of the Water Department to forward the approved AB797 Update to the California Department of Water Resources as required by law.

Mr. John P. Mullane, General Manager, Water Department, stated that the State of California in 1984 enacted AB797 Urban Water Management Planning Act, which requires that all water agencies with more than 3,000 hookups develop a water conservation plan by 1985. He further stated that the plan was to be updated every five years identifying the objectives of the original plan and whether they were achieved or not. Mr. Mullane also highlighted what the department is proposing for the next five years and that the overall plan has been extremely successful.

President Rodis opened the Public Hearing.

There were no comments.

On motion of Commissioner Chiesa, seconded by Commissioner Flynn, Resolution No. 91-0001 was approved.

THEREUPON THE MEETING WAS ADJOURNED: 6:43 P.M.

Romaine A. Boldridge
Secretary

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MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos

Mayor

SPECIAL MEETING

Municipal Railway Headquarters

2640 Geary Boulevard

7:00 P.M.

January 8, 1991

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COMMISSIONERS

Rodel E. Rodis, President

Sherri Chiesa, Vice President

H. Welton Flynn

Arthur V. Toupin

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Productivity

Personnel and Training

Thomas J. Elzey

GENERAL MANAGER

Romaine A. Boldridge

SECRETARY

Call to Order: 7:05 P.M.

Present: President Rodel E. Rodis, Vice President Sherri Chiesa,
Commissioner H. Welton Flynn, Commissioner Arthur V.
Toupin, Commissioner Gordon Chin

A tape of the meeting is on file in the office of the Secretary of
the Public Utilities Commission.

No action was taken at this meeting.

Presentation of the Municipal Railway 1990/91 budgetary status, the
PUC Task Force and Booz Allen & Hamilton, Inc. findings, and the
Municipal Railway work plan and program to address Task Forces and
1991/92 fiscal issues.

Commissioner Flynn inquired about having speakers comment on
non-agenda items saying that it would be unfair to hear one side in
opposition without giving notice to everyone about the item on the
calendar.

Mr. Daniel Liebert, representing Parents Opposing Addictive Drug
Advertising, stated that he informed President Rodis that he would
be having 8 to 10 speakers commenting on cigarette and alcohol
advertising on the Municipal Railway.

President Rodis requested that those speaking on cigarette and
alcohol advertising keep their comments to a time limit of 2 to 3
minutes and if views are already stated by the previous speaker not
to repeat the same comments.

Commissioner Chiesa suggested that public comments related to the
special order of business be taken prior to public comments on other
subjects outside the issue.

Mr. Thomas J. Elzey, General Manager, Public Utilities, reported
that a Task Force was formed last summer to examine the state of the
Municipal Railway to try and address questions that were raised
during last year's budget process to improve Muni's efficiency and
effectiveness. Mr. Elzey introduced the members of the Task Force
who were on loan from the PUC Bureaus and the Mayor's Office: Jill
Thompson, Ray Miller, Maryanne Malveaux, Rod Loucks, Keith Bunch,
Kirk Lawson, and Teresa Serata. They examined Muni's operations and
discussed Muni's programs and operations with its managers. Also,
staff engaged Booz Allen & Hamilton to provide a report relating to
Muni's maintenance and how it operated. Finally, he said that this
task was undertaken in the spirit of improving Muni and in finding
out ways to improve Muni's transportation system and the transit
first principles that are a priority within San Francisco.

Mr. Ed Harrington, Finance Director, gave a presentation on the
Municipal Railway 1991/92 Baseline Budget Summary. Mr. Harrington
described in detail a comparison of the 1990/91 budget to the
proposed baseline request for the 1991/92 budget highlighting
expected revenues and expenditures.

Mr. Kirk Lawson, Executive Assistant to the General Manager, Public Utilities, gave an overview on the Task Force Report and Booz Allen & Hamilton Report. He stated that both of these studies addressed problems Muni was facing. Mr. Lawson reported on findings taken from both reports, which included: training, absenteeism, classification issues, and management and material management systems. His concluding remarks were that Muni is basically achieving the main thrust of its mission - service delivery, but that there is room for improvement in the areas of training, absenteeism and discipline as presented in the report.

Commissioner Flynn inquired as to when Booz Allen & Hamilton was retained and whether it came before the Commission for approval.

Mr. Lawson replied that the firm was retained in mid-July of 1990.

Mr. Edward Harrington, Director of Finance, replied it was a small enough dollar figure that staff used the "as-needed" contracts that the Utilities Engineering Bureau has for engineering services, therefore, it was not brought before the Commission for approval.

Commissioner Flynn expressed his concern about the way in which this particular contract was handled. He was of the opinion that this was not an appropriate use of the "as-needed" contracts for professional services. Commissioner Flynn remarked that when a contract does not go through the proper procedures it bypasses contract compliance and the Mayor's directive on affirmative action.

Mr. Ghassan Salameh, representing Booz Allen & Hamilton, stated that his firm did have a problem some year's ago but that in the last three years they have met all of the contract compliance requirements.

President Rodis requested clarification on "as-needed" contracts in terms of policy, when can it be used and when can't it be used, so that in the future this can be avoided.

Mr. Elzey responded that clarification on that issue will be furnished to the Commission at the February 12th Commission meeting.

Mr. Johnny B. Stein, General Manager, Municipal Railway, expressed his appreciation to the Task Force and their study of the Municipal Railway. Mr. Stein described the many accomplishments achieved in 1990, which included: an increase in service delivery, increased ridership, a decrease in absenteeism, handicapped accessibility, implementation of the transit shelter program, an aggressive program against graffiti, improved initiation of 1-day and 3-day Passports, reduction of accident rate, subway signal system improvements, increased vehicle availability, and reduction of overhead line problems. In reference to the Task Force Report, Mr. Stein outlined plans to address three main points of the report: (1) productivity in the transportation and maintenance divisions, (2) financial reports and performance indicators, and (3) special issues, including discipline, wheelchair lifts, and absenteeism.

Mr. Stein commented that Motorola Corporation is going to provide a technical writer whose task will be to assess and recommend ways to better utilize the AVM/AVL system, which will result in increased training for management. He said that the department was working with the Finance Bureau to develop a cost accounting system which would give the department a tool for controlling costs. Mr. Stein addressed the issue of discipline and stated that they are working closely with PUC Personnel in developing a standardized plan of discipline.

Public Comments

Mr. Larry Martin, International Representative, Transport Workers Union, was of the opinion that the issue of absenteeism was misfocused in the Task Force Report and that there are various reasons as to why worker's are absent. He also remarked that the Muni workers are doing a very fine job.

Mr. Bobby Brown, President, Transport Workers Union, Local 250A, remarked that security is a serious problem and that each day the workers have to face danger in the streets. Mr. Brown further stated that Muni's absenteeism is at the industry's low.

Mr. Fred Peterson, representing Local 200, stated he was interviewed by the Task Force. He explained the various functions of the 9139 classification and said that he wouldn't want to see the 9139 issues go unaddressed.

Ms. Jano Oscherwitz, Business Representative for Local 790, was of the opinion that the Task Force Report did not cover the station agents or any health and safety issues. She thought there should be an addendum to the report to address those issues.

Mr. James Bryant, Chapter President for Station Agents, SEIU, Local 790, remarked that Local 790 was not a part of the Task Force Report review process and stated that they should have been consulted for their input. He said that we need to focus on staffing the stations properly in order to operate more efficiently.

Mr. Lawson replied that the Task Force did talk with Ms. Katherine Hanes of SEIU, Local 790.

Mr. David Pilpel complimented the Commission, staff, and the railway as an organization. He felt that it was important from time to time to do an evaluation on an organization as large as the railway. Mr. Pilpel stated there should be a follow-up to the report to address long-term issues and solutions.

Mr. Norman Rolfe, Co-Chair Transportation Committee, San Francisco Tomorrow, suggested there should be a report on the number of missed trips and that there should be more street supervisors to keep streetcars moving smoothly. He stated that if there is better service you have more satisfied customers who will use public transportation.

Mr. Peter Der, speaking as a citizen and an employee of Muni, remarked that we are living in the age of numbers and cautioned that numbers cannot tell us everything when compiling a report.

The following speakers spoke against cigarette and/or alcohol advertising on the Municipal Railway buses and transit shelters.

Ms. Kathleen S. Moss, Parents Opposing Addictive Drug Advertising
Ms. Virginia Ernster, Representing Herself
Ms. Etta M. Jones, San Francisco Unified School District
Ms. Lisa Zimmerman, Women's Alcoholism Center
Ms. Helen Sloss Luey, San Francisco PTA
Ms. Margaret Brodtkin, Coleman Advocates for Children
Professor Stanton Glantz, University of San Francisco
Ms. Mary Fryer, American Lung Association

THEREUPON THE MEETING WAS ADJOURNED: 9:20 P.M.

Romaine A. Boldridge
Secretary

M I N U T E S

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos

Mayor

REGULAR MEETING

Room 282, City Hall

2:00 P.M.

January 22, 1991

COMMISSIONERS

Sherri Chiesa, President

Gordon Chin, Vice President

H. Welton Flynn

Arthur V. Toupin

Rodel E. Rodis

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Management Efficiency and
Productivity

Personnel and Training

Thomas J. Elzey

GENERAL MANAGER

Romaine A. Boldridge

SECRETARY

Call to Order: 2:19 P.M.

Present: President Rodel E. Rodis, Vice President Sherri Chiesa,
Commissioner H. Welton Flynn, Commissioner Gordon Chin

Excused: Commissioner Arthur V. Toupin

On motion of Chiesa, seconded by Chin, the Minutes of the regular meeting of January 8, 1991 and the special meeting of January 8, 1991 were approved.

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

SPECIAL ORDER OF BUSINESS

Election of Officers for the Year 1991

Commissioner Chin nominated Vice President Sherri Chiesa for President. Commissioner Flynn seconded.

Commissioner Chiesa was unanimously elected President.

Commissioner Rodis thanked his fellow Commissioners and the staff for their support and cooperation during his term as President.

Commissioner Flynn stated that he has enjoyed working with Commissioner Rodis during his two years as President.

President Chiesa accepted the gavel and presided for the remainder of the meeting. President Chiesa thanked her fellow Commissioners for electing her as President and said she was proud and pleased to work with the staff of the Public Utilities Commission.

Commissioner Flynn nominated Commissioner Gordon Chin for Vice President. Commissioner Rodis seconded.

Commissioner Chin was unanimously elected Vice President.

RESOLUTION
NO.

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0017 MR Approving the plans and specifications as prepared and recommended by staff, and authorizing Bid Call for San Francisco Municipal Railway Contract No. MR-892, Scott Facility Add-On at 1849 Harrison Street, San Francisco.

VOTE: Ayes - Chiesa, Chin, Flynn, Rodis

RESOLUTION
NO.

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0018 HH Approving the plans and specifications as prepared and recommended by staff, and authorizing Bid Call for San Francisco Hetch Hetchy Water and Power Contract No. HH-828, Moccasin Penstock Saddle Replacement.

VOTE: Ayes - Chiesa, Chin, Flynn, Rodis

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0019 HH Authorizing the Controller to transfer \$3,077,866 in capital funds from six (6) completed or low-priority Hetch Hetchy projects to three (3) high-priority project which require additional funds for the completion of design and construction.

VOTE: Ayes - Chiesa, Chin, Flynn, Rodis

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0020 WD Accepting the work performed under San Francisco Water Department Contract No. WD-2044, Masonry Wall and Security Fence for SFWD Corporation Yard; approving Credit Contract Modification No. 1 in the amount of \$1,030.99; authorizing an extension of time for unavoidable delays of 19 working days; and authorizing final payment in the amount of \$3,631.75 to the Contractor, Interlane General Engineering, Inc. and P & J Utility Co., AJV.

VOTE: Ayes - Chiesa, Chin, Flynn, Rodis

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0021 WD Awarding San Francisco Water Department Contract No. WD-2070, Construction of Fences on Water Department properties, East and West Bay Locations, in the amount of \$134,710 to Interlane General Engineering, Inc. and P & J Utility Co., AJV; and rejecting all other bids for the work.

VOTE: Ayes - Chiesa, Chin, Flynn, Rodis

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0022 WD Awarding San Francisco Water Department Contract No. WD-2077, Purchase a Transformer, Switchgear, and Starters for the Baden Pump Station Project, in the amount of \$143,510 to Toshiba International Corporation, San Francisco, CA.

VOTE: Ayes - Chiesa, Chin, Flynn, Rodis

RESOLUTION
NO.

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0023 WD Awarding San Francisco Water Department Contract No. WD-2078, Purchase of Water Pumps and Motors for Baden Pump Station Project, in the amount of \$252,900 to Dresser Industries, Inc., San Francisco, CA.

VOTE: Ayes - Chiesa, Chin, Flynn, Rodis

On motion of Flynn, seconded by Rodis, the following resolution was adopted:

91-0024 HH Requesting the Mayor to recommend to the Board of Supervisors a supplemental appropriation in the amount of \$300,000 from the deobligation of funds from Hetch Hetchy's capital improvement project 722, Moccasin Shop Buildings, to amend the operating budget to fund legal services during the remainder of Fiscal Year 1990/91.

VOTE: Ayes - Chiesa, Chin, Flynn, Rodis

On motion of Rodis, seconded by Flynn, the following resolution was adopted:

91-0025 MR Authorizing the General Manager of the Municipal Railway to circulate a Request-for-Proposals for the Municipal Railway's Transit Advertising Agreement for 1991-1996.

VOTE: Ayes - Chiesa, Chin, Flynn, Rodis

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0026 MR Authorizing the Municipal Railway to reroute service on the 42-DOWNTOWN LOOP between the Caltrain Depot and the Financial District to serve the South Beach-Rincon Hill area and discontinuing portions of the existing service.

VOTE: Ayes - Chiesa, Chin, Flynn, Rodis

On motion of Rodis, seconded by Flynn, the following resolution was adopted:

91-0027 MR Requesting the Board of Supervisors to amend Section 10.109-4 of the San Francisco Administrative Code to provide for a Municipal Railway Historic Preservation Fund as a replacement for the Cable Car System Fund.

VOTE: Ayes - Chiesa, Chin, Flynn, Rodis

RESOLUTION
NO.

On motion of Flynn, seconded by Rodis, the following resolution was adopted:

91-0028 MR Authorizing the General Manager of Public Utilities to modify the Municipal Railway's contract with Carlton Associates to provide an additional \$10,000 for technical support and maintenance of the Vehicle Maintenance System (VMS) and associated software and hardware, and to extend the completion date to June 30, 1991.

VOTE: Ayes - Chiesa, Chin, Flynn, Rodis

On motion of Rodis, seconded by Flynn, the following resolution was adopted:

91-0029 UEB Adopting the Final Environmental Impact Report as certified by the City Planning Commission on January 10, 1991; approving the mitigation monitoring plan; and approving the plans and specifications as prepared and recommended by staff, and authorizing Bid Call for San Francisco Water Department Contract No. WD-2037, Calaveras Pipeline Replacement Project and Outlet Facilities Modifications.

VOTE: Ayes - Chiesa, Chin, Flynn, Rodis

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0030 UEB Awarding San Francisco Water Department Contract No. WD-2050, Clean and Coat 36-Inch, 60-Inch and 48-Inch Mains at Lake Merced and Caltrans District Yard in the net amount of \$135,300 to Eligom International Construction, San Francisco, CA.

VOTE: Ayes - Chiesa, Chin, Flynn, Rodis

On motion of Rodis, seconded by Flynn, the following resolution was adopted:

91-0031 FM Authorizing the General Manager of Public Utilities to revise the determination of the Transit Impact Development Fee (TDIF) for 51 Federal Street from \$117,777.05 to \$71,212.50.

VOTE: Ayes - Chiesa, Chin, Flynn, Rodis

On motion of Rodis, seconded by Flynn, the following resolution was adopted:

91-0032 FM Authorizing the General Manager of Public Utilities to submit the list of Delinquent Payments of the Transit Impact Development Fee (TDIF) to the Board of Supervisors for their deliberation and action to impose a special assessment property tax lien on 51 Federal Street.

VOTE: Ayes - Chiesa, Chin, Flynn, Rodis

RESOLUTION
NO.

On motion of Rodis, seconded by Flynn, the following resolution was adopted:

91-0033 FM Requesting the Mayor to recommend to the Board of Supervisors a supplemental appropriation of \$167,243 of Fiscal Year 1986/87 TDA capital improvement allowance monies to fabricate and install security fencing gates at various Kirkland Yard locations.

VOTE: Ayes - Chiesa, Chin, Flynn, Rodis

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

Old Business

Commissioner Flynn requested that any funds expended to any subcontractor not mentioned in the "as-needed" contracts be cleared through the contract compliance office.

President Rodis asked if all departments were operating under the same set of guidelines in the "as-needed" contracts or if there was a difference in guidelines for engineering consultants and those operating out of the PUC office for non-engineering consultants.

Mr. Thomas J. Elzey, General Manager of Public Utilities, replied that all departments report directly through the PUC General Manager's Office and are under the same set of guidelines.

President Rodis requested an updated report for 1991 on the PUC guidelines in the "as-needed" contracts.

Report of the General Manager

Mr. Elzey proposed that due to cancellation of the January 16, 1991 special meeting that the agenda item to select an environmental consultant for the proposed San Mateo golf course be rescheduled for February 12, 1991.

Item No. 8 -- Election of President for the year 1991.

Commissioner Chin nominated Commissioner Chiesa for President. Commissioner Flynn seconded.

Commissioner Rodis stated that during his two years serving as President there had been much accomplished: such as, the appointments of a General Manager for PUC, the Water Department, the Municipal Railway, and the Utilities Engineering Bureau. Commissioner Rodis also thanked his fellow Commissioners and staff for their support and cooperation during his term as President. He also commended Ms. Romaine A. Boldridge, Secretary, Public Utilities Commission, for her exceptional support during the past two years. He turned the gavel over to President Chiesa who presided for the remainder of the meeting.

Commissioner Flynn stated that he had enjoyed working with Commissioner Rodis during his two years as President.

President Chiesa thanked her fellow Commissioners for electing her as President and said she was proud and pleased to work with the staff of the Public Utilities Commission.

Item No. 9 -- Election of Vice President for the year 1991.

Commissioner Flynn nominated Commissioner Chin for Vice President. Commissioner Rodis seconded.

Commissioner Chin was unanimously elected to the office of Vice President.

Resolution No. 91-0025 -- Authorizing the General Manager of the Municipal Railway to circulate a Request-for-Proposals for the Municipal Railway's Transit Advertising Agreement for 1991-1996.

Mr. Elzey requested that due to a conflict in the meeting times between PUC and the Health Commission this calendar item be taken out of order.

Mr. Jaimie Levin, Community Affairs, Municipal Pailway, explained the draft request for proposals (RFP) for the Municipal Railway's Transit Advertising Agreement for 1991-1996. He stated that staff recommends that companies submitting their proposals give two different financial offers: 1) a proposal which would assume no exclusions with respect to type of advertising, and 2) a proposal which would exclude tobacco and alcohol for all five years of the contract. Mr. Levin said that subsequent to the review process by the selection committee, staff would report back to the Commission the results of the highest ranking firms with respect to each of the options.

Mr. Elzey stated that the Commission would have the option to go one way or the other. What staff did in this process was to make it possible to see what the fiscal impact would be in banning alcohol and tobacco. Ultimately, it would be up to the Commission to decide what they would prefer to do with respect to cigargette and alcohol advertising.

Commissioner Flynn asked if the \$200,000 bid guarantee would be returned or forfeited if the firm defaults after it was selected.

Ms. Robin Reitzes, Deputy City Attorney, replied that it would be determined on what sort of damages were incurred by not being able to contract with the winning bidder as to how much of the funds would be returned or not.

Mr. George Krueger, General Counsel, Public Utilities, stated that the draft RFP is silent on this issue. He said that the RFP could be amended to reflect whether the \$200,000 be forfeited or not.

Commissioner Flynn requested that the RFP be amended reflecting that if the firm fails to meet the requirement of entering into a contract, they would forfeit the full deposit of \$200,000.

Commissioner Gordin Chin questioned the legal implications regarding the Commission's policy decision after the bids are in and whether or not it could be challenged.

Ms. Reitzes replied that the firms who submit proposals will be well informed on every aspect of the evaluation process. However, they will be told that the Commission may weigh other factors involved and that there would be no guarantee that the firm recommended by the selection committee would be selected by the Commission.

Commissioner Chin suggested that the Commission make a policy decision excluding alcohol and tobacco advertising from the RFP with wnatever minimum bid is established.

Commissioner Rodis moved to amend the RFP to require firms to exclude alcohol and tobacco advertising. Commissioner Flynn seconded. The motion passed unanimously.

Dr. Sam Ho, Medical Director for Community Health Services, commended the Commission on their decision to exclude cigarette and alcohol advertising. He was of the opinion that it is incredibly important for the City of San Francisco as a whole to enforce this prohibition on alcohol and tobacco advertising. Also, he said that whatever revenue reductions that the City may incur would be more than offset by cost reductions in the potential lives lost as well as cost reductions in the general fund towards health care services.

Dr. Dan Kelly, representing San Francisco Unified School District, thanked the Commission on behalf of the youth of San Francisco for their decision.

Commissioner Rodis commended the efforts of Mr. Daniel Liebert and the Parents Opposed to Addictive Drug Advertising for making the Commission aware of a number of issues.

Ms. Kathleen Moss, President of POADA, also thanked the Commission for their vote of support to the youth of San Francisco.

On motion of Commissioner Rodis, seconded by Commissioner Flynn, Resolution No. 91-0025, authorizing circulation of the RFP (as amended), was approved.

Item No. 11 -- Presentation of 1991/92 budget issues for Hetch Hetchy Water and Power, San Francisco Water Department and Bureaus under the Public Utilities Commission.

Mr. Ed Harrington, Finance Director, gave a presentation on the Hetch Hetchy Water & Power and the Water Department 1991/92 Baseline Budget Summary. Mr. Harrington described in detail a comparison of the 1990/91 budget to the proposed baseline request for the 1991/92 budget highlighting expected revenues and expenditures.

Mr. Anson B. Moran, General Manager, Hetch Hetch Water & Power, gave an update on the water situation. With the use of graphs, he explained the precipitation and run-off patterns. He stated that there is less precipitation this year than we have seen in 17 years. Mr. Moran also stated that the State Water Resources Control Board was currently projecting that there was only a 10% chance that this year would turn out to be a normal year. He said that on January 29, 1991 the State Water Resources Control Board would hold emergency hearings to explore altering water rights throughout the State in order to manage the drought.

Mr. John P. Mullane, General Manager, Water Department, commented on the current situation of the drought. He stated that staff was currently involved in a level of planning in five areas relative to the demand side only, which would include: 1) an increased level of rationing; 2) making the current water use restrictions more demanding or instituting new restrictions that would contribute towards reduction in consumption; 3) increasing rates based on the decrease in consumption; 4) quick fixes, which would include a retrofit program, a low-flow toilet rebate program, looking at reclaimed water, irrigation water, new customer information; and, 5) working with the Bay Area Water Users Association to secure their support in whatever programs are implemented. Ultimately, Mr. Mullane said that he would like to be able to present this plan to the Commission in February for their review and adoption so that it could go into effect late February or early March.

No budget issues were presented concerning the PUC Bureaus.

Resolution No. 91-0026 -- Authorizing the Municipal Railway to reroute service on the 42-DOWNTOWN LOOP between the Caltrain Depot and the Financial District to serve the South Beach-Rincon Hill area and discontinuing portions of the existing service.

Mr. Peter Straus, Municipal Railway, explained the recommended route plan for the 42-DOWNTOWN LOOP, which would service the South of Market area.

Mr. Norman Rolfe, Co-Chair Transportation Committee, San Francisco Tomorrow, was of the opinion that there should be additional stops on the 42-DOWNTOWN LOOP due to long distances between stops.

Mr. Ray Antonio, Transport Workers Union, Local 250A, pointed out that in the area of First Street there may be a need to create a diamond lane due to traffic congestion.

Mr. David Pilpel remarked that he felt this is an appropriate proposal but was of the opinion that the 32-Embarcadero line should be restored at some point in the future.

On motion of Commissioner Chin, seconded by Commissioner Flynn, Resolution No. 91-0026, was approved.

Item No. 19 -- Authorizing the General Manager of Public Utilities to execute Modification No. 2 to the personal services contract with George Pattee, to extend the duration of the contract through September 30, 1991 and increase the maximum expenditure to \$105,000, to reflect additional work to be performed in the rehabilitation of Market Street Railway Streetcar #798.

Mr. Bruce Bernhard, Director of Statagic Planning, Municipal Railway, stated that Mr. Pattee is supervising prison inmates to complete work on this project and emphasized the nature of the project both in terms of the type of work being undertaken and the fact that it was being completed at a prison. Mr. Bernhard said that additional work needs to be performed in the rehabilitation of the Market Street Railway Streetcar #798. Therefore, an amendment to the contract is necessary to complete the project.

Commissioner Rodis remarked on the amount of funds needed to rehabilitate this streetcar in comparison with the fully operating Hiroshima Streetcar, which was proposed to be sold for only \$60,000.

Commissioner Chin was concerned whether staff was getting into an open-ended contract, essentially paying for Mr. Pattee's oversight and supervision in the rehabilitation of this streetcar. He said this could be an on-going project depending upon whether or not the prison's major objective was to rehabilitate the streetcar or just to involve the prison inmates in some sort of training program.

Commissioner Flynn made a motion to deny the resolution to expend any funds on this project. He stated that he was concerned that this was an open-ended contract and did not want to continue expending funds without any guarantee as to when the work would be completed.

Commissioner Rodis stated that if another proposal was submitted with certain guarantees about completion of the project, the Commission may consider approving it.

Commissioner Flynn suggested that Mr. Pattee be individually bonded to guarantee that the car would be finished within a specific period of time.

The motion died for lack of a second. The item was taken off calendar for follow up.

Mr. Pilpel said he supports the rehabilitation of the streetcar but pointed out that if work is stopped on this project costs would be incurred to move the streetcar back to the City which could be considerable.

Public Comments

Mr. David Pilpel urged that staff continue to address issues in the Task Force Report.

Mr. James Bryant, Chapter President for Station Agents, SEIU, Local 790, expressed his congratulations to President Chiesa and Vice President Gordon Chin for their elections. He informed the Commission that meetings had been set up with the General Manager of PUC and the Municipal Railway to address continuing union issues.

Mr. Ray Antonio, Transport Workers Union, stated in view of the fact that the Commission acted on Item 15 to prohibit alcohol and tobacco advertising, he hoped that no programs or staff would be eliminated or reduced.

THEREUPON THE MEETING WAS ADJOURNED: 4:36 P.M.

Romaine A. Roldridge
Secretary

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ECIAL

MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos
Mayor

SPECIAL MEETING

Room 282, City Hall

2:00 P.M.

January 29, 1991

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COMMISSIONERS

Sherri Chiesa, President
Gordon Chin, Vice President
H. Welton Flynn
Arthur V. Toupin
Rodel E. Rodis

DEPARTMENTS

Hetch Hetchy Project
Municipal Railway
Water Department

BUREAUS

Energy Conservation
Engineering and
Construction Management
Financial Management
Information Systems
Management Efficiency and
Productivity
Personnel and Training

Thomas J. Elzey
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 2:10 P.M.

Present: President Sherri Chiesa, Vice President Gordon Chin,
Commissioner Arthur V. Toupin

Excused: Commissioner H. Welton Flynn, Commissioner Rodel E. Rodis

A tape of the meeting is on file in the office of the Secretary of
the Public Utilities Commission.

RESOLUTION
NO.

On motion of Chin, seconded by Toupin, the following
resolution was adopted:

91-0034 WD Authorizing the General Manager of Public Utilities
to negotiate and enter into additional contracts to
purchase and arrange for delivery of water from
available sources.

VOTE: Ayes - Chiesa, Chin, Toupin

Copies of the above resolution are on file in the
office of the Secretary of the Public Utilities
Commission.

Public Hearing - To consider the proposed budgets for Fiscal Year
1991/92 for all departments and bureaus under the jurisdiction of
the Public Utilities Commission.

Mr. Thomas J. Elzey, General Manager, Public Utilities, gave a brief
overview of staff's budget presentation to the Commission. He also
remarked on the uncertainty of this year's drought and how it would
affect certain budget issues.

Mr. Ed Harrington, Finance Director, gave a presentation on the
overall budget for Fiscal Year 1991/92. He presented to the
Commission an update to the five-year projections of the Water
Department and Hetch Hetchy. Mr. Harrington stated that the Water
Department's 14% annual rate increase was not expected to change
from last year's projections based upon the current level of
rationing. If the current level of rationing changes, then the rate
increase would be subject to change. He further discussed the Water
Department's capital budget highlighting the \$76 million in bond
funds, the Hetch Hetchy assessment, and the bond debt service. Mr.
Harrington stated we are in the perimeters of what we projected last
year.

Hetch Hetchy Water & Power

Mr. Larry Klein, Deputy General Manager, Hetch Hetchy Water and
Power, explained that the current budget had anticipated a normal
year of precipitation and runoff patterns. He said it had become
apparent that we are not in a normal year and it may become
necessary to revise the 1991/92 budget. At present, Hetch Hetchy's
operating plan and budget is based upon buying power until reservoir
levels are normal. Therefore, the department's transfer to the
General Fund could go to zero if present conditions continue. Mr.
Klein highlighted some of the major budget issues proposed, which
include: 1) additional legal services to protect the City's water
rights; 2) the study of PG&E municipalization; and 3) the study of
purchasing PG&E-owned streetlights.

Commissioner Toupin was of the opinion that given the shortage of funds, that it would not be a good time to study the municipalization of PG&E and would vote against such a decision.

Commissioner Chin stated that he would support the study of PG&E municipalization in the budget.

President Chiesa invited public comments.

Mr. David Pilpel stated that he supports the two studies involving the PG&E municipalization and purchase of PG&E-owned streetlights. He also was of the opinion that the Bureau of Energy Conservation and BMIS be decentralized.

Water Department

Mr. Gregory Tom, Deputy General Manager, Water Department, gave an overview of the Water Department's proposed Fiscal Year 1991/92 budget. He said that due to the fifth consecutive year of the drought, staff had taken a more pro-active management approach on the budget. Therefore, there would be direct and indirect impacts on the budget. The direct impact would be to continue the current water rationing and conservation programs, at a level to be determined, and the need to purchase additional water through a water supply surcharge. The indirect impacts would include: 1) a rebate retrofit program designed to help customers conserve water; 2) to develop and expand the public information program related to water conservation; and, 3) the development of specific projects that include groundwater investigations and reclaimed water.

Commissioner Chin requested clarification on the water supply surcharge and how it relates to the \$4 million budgeted for the purchase of water, and whether that surcharge applies to all customers, residential and commercial.

Mr. Tom replied that the water supply surcharge applies to all customers. This would be an increase of 3-1/2¢ per unit, or 750 gallons of water, based on actual consumption of water.

Ms. Christine Morioka, Rate Administrator, Water Department, further explained that the 14% increase does include the \$4 million from the water supply surcharge and that the increase for regular water service would be less than the 14% increase. She said the difference would be for the water supply surcharge.

Commissioner Toupin stated in view of the increased need for funds because of the drought, that water users would understand why a water surcharge needs to be implemented. He further said not only should the funds received from the surcharge pay for the purchase of water but they should also be used to plan for the future.

President Chiesa invited public comments.

Mr. Pilpel spoke in favor of the long-term conservation programs and a changed rate structure which would encourage water conservation. He expressed concerns regarding the two additional administrative positions in the proposed budget.

Ms. Virginia Conway stated she was of the opinion that the additional demonstration gardens proposed in the budget was not necessary and could be eliminated.

PUC Bureaus

Mr. Harrington summarized the PUC Bureau's baseline adjustments and budget change proposals, some of which include: 1) three new positions needed for Muni's new fareboxes; 2) increases to fund a cost-of-living adjustment to the security services contract; and, 3) adjustments to DP/WP maintenance agreements.

President Chiesa invited public comments.

Mr. Pilpel remarked that at some point staff should examine which bureaus could be decentralized to the various departments they serve.

Municipal Railway

Mr. Johnny Stein, General Manager, Municipal Railway, explained how the department had tried to keep within the Mayor's budget guidelines. He noted that in the 1991/92 budget request, \$11.9 million was for baseline changes and \$2.4 million was for new programs. The baseline changes primarily focus on Muni's fuel costs, contract paratransit services, salaries and fringe benefits, and workers compensation costs. Further, Muni's request for two new programs includes: 1) funds to maintain training and for paid leaves for assault victims; and 2) the next phase of the farebox maintenance program. Mr. Stein said that Muni was also requesting 3 additional station agents to provide coverage at secondary booths in some the stations of the Muni Metro System and to hire 4 temporary diesel mechanics to eliminate the backlog of deferred maintenance on the coaches.

President Chiesa invited public comments.

Ms. Alice Fialkin, representing Transport Workers Union, Local 200, stated that Local 200 was pleased to see there were no cutbacks in this year's budget but mentioned that a couple of year's ago about 12% of their workforce was lost due to layoffs. Therefore, they would like to get some of those positions back and also see an increase in overtime if those positions are not filled.

Mr. James Bryant, Chapter President for Station Agents, SEIU, Local 790, thanked staff for their support in addressing the need for more station agents.

Mr. Norman Rolfe, representing San Francisco Tomorrow, spoke on the need for more street supervisors, the need to redirect STA funds, and the distribution of sales tax.

Mr. Pilpel mentioned that the budget did not include substitute positions or programs to increase funding and change priorities in some areas. He also asked for copies of reports requested by the Mayor and a copy of the current version of the BPREP report. Mr. Pilpel suggested increasing service on Muni through use of TIDF funds. Additionally, he requested a summary of all TIDF revenues and expenses.

Ms. Jano Oscherwitz, Business Representative for Local 790, thanked staff for addressing the issue to hire additional station agents and stated that Local 790 would like to continue working with management to resolve problems in the area of overtime.

THEREUPON THE MEETING WAS ADJOURNED: 4:03 P.M.

Romaine A. Boldridge
Secretary

M I N U T E S

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos

Mayor

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REGULAR MEETING

Room 282, City Hall

2:00 P.M.

February 12, 1991

COMMISSIONERS

Sherri Chiesa, President

Gordon Chin, Vice President

H. Welton Flynn

Arthur V. Toupin

Rodel E. Rodis

DEPARTMENTS

Hetch Hetchy Project

Municipal Railway

Water Department

BUREAUS

Energy Conservation

Engineering and
Construction Management

Financial Management

Information Systems

Management Efficiency and
Productivity

Personnel and Training

Thomas J. Elzey

GENERAL MANAGER

Romaine A. Boldridge

SECRETARY

Call to Order: 2:08 P.M.

Present: President Sherri Chiesa, Vice President Gordon Chin,
Commissioner H. Welton Flynn, Commissioner Arthur V.
Toupin, Commissioner Rodel E. Rodis

On motion of Flynn, seconded by Chin, the Minutes of the regular meeting of January 22, 1991 and the special meeting of January 29, 1991 were approved.

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Toupin, seconded by Chin, the following resolution was adopted:

91-0035 GM Adopting the Hetch Hetchy Capital Improvement Program, 1991/92 through 1996/97 as recommended by the General Manager of Public Utilities.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0036 GM Adopting the Water Department's Capital Improvement Program, 1991/92 through 1996/97 as recommended by the General Manager of Public Utilities.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Chin, seconded by Rodis, the following resolution was adopted:

91-0037 GM Adopting Fiscal Year 1991/92 operating Budgets for all departments and bureaus under the jurisdiction of the Public Utilities Commission.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Rodis, seconded by Chin, the following resolution was adopted:

91-0038 MR Requesting the Controller to draw warrants in payment of claims against the Municipal Railway, totalling \$21,000.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

RESOLUTION
NO.

On motion of Rodis, seconded by Chin, the following resolution was adopted:

91-0039 WD Designating Tuesday, March 12, 1991, at 2:00 p.m. in Room 282, City Hall, San Francisco as the date, time and place for a public hearing for considering proposals for rate increases for water service and water supplied by the San Francisco Water Department to its retail and wholesale customers.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Rodis, seconded by Chin, the following resolution was adopted:

91-0040 WD Designating Tuesday, February 26, 1991, at 2:00 p.m. in Room 282, City Hall, San Francisco as the date, time and place for a public hearing on a new rationing plan to further increase water savings throughout the San Francisco Water Department's system.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Rodis, seconded by Chin, the following resolution was adopted:

91-0041 WD Approving the plans and specifications as prepared and recommended by staff, and authorizing Bid Call for San Francisco Water Department Contract No. WD-2062, San Antonio Pump Station Improvements.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Rodis, seconded by Chin, the following resolution was adopted:

91-0042 WD Awarding San Francisco Water Department Contract No. WD-2075, University Mound Reservoir - South Basin Roof Repair, in the amount of \$119,000 to Eddie D. Steppat, Inc., San Francisco, CA.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Rodis, seconded by Chin, the following resolution was adopted:

91-0043 WD Awarding San Francisco Water Department Contract No. WD-2076, Purchase of Ball Valves and Accumulator System for Baden Pump Station Project, in the amount of \$111,658 to Henry Pratt Co., Pleasant Hill, CA.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

RESOLUTION
NO.

On motion of Rodis, seconded by Chin, the following resolution was adopted:

91-0044 MR Designating Tuesday, March 12, 1991, at 2:00 p.m. in Room 282, City Hall, San Francisco as the date, time and place for a public hearing for considering an amendment to the Muni Fare Code pertaining to AC/BART Plus Muni Passes, AC/Muni Transbay Passes, BART/Muni Cash Transfer, and Golden Gate/Muni Bus to Bus Passes.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Rodis, seconded by Chin, the following resolution was adopted:

91-0045 MR Approving the plans and specifications as prepared and recommended by staff, and authorizing Bid Call for San Francisco Municipal Railway Contract No. MR-1026, Presidio Trolley Coach and General Office Facility - Rehabilitate Heating & Ventilation System of the General Administrative Office.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Rodis, seconded by Chin, the following resolution was adopted:

91-0046 PM Approving the Non-Civil Service and Temporary appointments and removals as indicated on the Temporary Employment Activity Roster, for the month of December, 1990.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0047 WD Requesting the Mayor to recommend to the Board of Supervisors a Water Department Supplemental Appropriation in the amount of \$490,000 for implementation of additional water conservation programs funded from the Water Department's Unreserved Fund balance.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0048 WD Authorizing the General Manager of the Water Department to enter into a contract with a qualified herpetologist specializing in the San Francisco Garter Snake in an amount not-to-exceed \$7,600 for investigations in the vicinity of Upper Crystal Springs Reservoir.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

RESOLUTION
NO.

On motion of Rodis, seconded by Flynn, the following resolution was adopted:

91-0049 WD Authorizing the General Manager of the Water Department to enter into a contract with a qualified archaeological consulting firm specializing in San Mateo County Native American sites in an amount not-to-exceed \$3,600 for investigations in the vicinity of Upper Crystal Springs Reservoir.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0050 WD Approving the Lease extension for an additional five-year period commencing September 1, 1990 and ending August 31, 1995 and the new rental of \$20,736 per year; and authorizing the execution of the First Supplemental Agreement in Modification of Lease to Kollreal, of right-of-way property located adjacent to 592 Weddell Drive, Sunnyvale, California.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0051 WD Approving and authorizing the execution of the First Supplemental in Modification of Lease for No. 1 MB Partners so as to add Section 17A, CURE BY LENDER, to the original Lease adopted September 12, 1989.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Flynn, seconded by Rodis, the following resolution was adopted:

91-0052 MR Authorizing modification of the contract to extend the term of the agreement with Jeri L. Mersky, Ph.D. to June 30, 1991, at no additional cost to complete a case study of the five-year development of the JLMB at the Municipal Railway.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0053 MR Requesting the Controller to transfer \$384,580 in operating funds within the Municipal Railway's Engineering and Administration Division for paratransit services.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

RESOLUTION
NO.

On motion of Flynn, seconded by Rodis, the following resolution was adopted:

91-0054 UEB Awarding San Francisco Water Department Contract No. WD-2010, Alemany Pump Station Electrical Improvements, in the amount of \$259,000 to Kingston-Cresi, AJV, San Francisco, CA; and requesting the Controller to transfer funds in the amount of \$85,000 from unencumbered balances of completed projects.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Flynn, seconded by Rodis, the following resolution was adopted:

91-0055 UEB Approving the plans and specifications as prepared and recommended by staff, and authorizing Bid Call for San Francisco Water Department Procurement Contracts WD-2081, WD-2082, WD-2083, WD-2084, and WD-2090 for the purchase of equipment for the San Antonio Pump Station.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0056 BMIS Authorizing the transfer of \$38,760 from the Bureau of Management Information Systems' 1990/91 miscellaneous salaries to temporary salaries to fund the services of a temporary 1879 Project Manager.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

New Business

Commissioner Toupin referred to the letter received from the Health Commission concerning Proposition 65, The Safe Drinking Water and Toxics Enforcement Act of 1986. He inquired about the kind of procedures the Public Utilities Commission is establishing on an on-going basis to live within the law regarding the implementation as it relates to waste discovery and management. Commissioner Toupin requested that staff submit reports on a regular basis concerning hazardous waste.

General Manager's Report

Cable Car Noise

Mr. Thomas J. Elzey, General Manager, Public Utilities, responded to the Commission's request to report back in 90 days on the status of the cable car noise. Mr. Elzey said that litigation had been filed against the Public Utilities Commission and that any reports to the Commission would be in Executive Session.

Hiring Freeze

Mr. Elzey referred to the Mayor's letter of January 31, 1991 and stated that based upon the Controller's report, which indicated potential difficulties in maintaining a balanced budget for the current fiscal year, the Mayor had implemented an immediate freeze on the hiring of City employees. He mentioned that the Bureau of Personnel and Training had put together guidelines for staff to follow in order to meet the three sets of criteria set forth by the Mayor's Office before any requisition could be filled. Mr. Elzey did state, that despite the hiring freeze, that PUC would be allowed to hire bus operators in order to maintain the present level of service to the public.

President Chiesa asked whether the transit supervisors' positions that were cut a couple of year's ago would be filled and about the use of overtime to continue those functions.

Mr. Elzey replied that staff had requested 9 additional transit supervisors' positions during the 1990/91 budget process which were not approved by the Mayor's Office. Given the current situation with the budget, Mr. Elzey said there was no specific plan to increase coverage. However, he said that he would meet with Muni management to see if some internal adjustments could be made to address staffing shortages and funding problems related to the transit supervisors. He also said he would look at Muni's budget from a financial perspective and see if there were funds that could be transferred from other areas which might be able to help this situation.

Resolution No. 91-0035 -- Adopting the Hetch Hetchy Capital Improvement Program, 1991/92 through 1996/97 as recommended by the General Manager of Public Utilities.

On motion of Commissioner Toupin, seconded by Commissioner Chin, Resolution No. 91-0035 was approved.

Resolution No. 91-0036 -- Adopting the Water Department's Capital Improvement Program, 1991/92 through 1996/97 as recommended by the General Manager of Public Utilities.

On motion of Commissioner Toupin, seconded by Commissioner Flynn, Resolution No. 91-0036 was approved.

Resolution No. 91-0037 -- Adopting Fiscal Year 1991/92 operating Budgets for all departments and bureaus under the jurisdiction of the Public Utilities Commission.

Hetch Hetchy Water & Power

Mr. Elzey stated there were no changes in the Hetch Hetchy budget from the prior meeting. He made reference to the Mayor's letter transmitted to the Board of Supervisors explaining the Mayor's position regarding the municipalization of PG&E.

Commissioner Flynn made a motion to delete \$150,000 for the PG&E municipalization study from the Hetch Hetchy budget. Commissioner Toupin seconded.

Commissioner Chin spoke against the motion. He was of the opinion to move ahead with this item and urged the Commission to sustain their previous decision to keep this item in the budget.

Commissioner Flynn remarked that spending \$150,000 for the study of PG&E would be a waste of funds and the cost would just escalate.

Commissioner Toupin concurred with Commissioner Flynn. He was of the opinion that the residents of San Francisco appreciated the kind of service PG&E has offered them all these years and would not want a change.

Commissioner Rodel stated he understood all the concerns expressed but because of budgetary problems suggested that the Commission not proceed at this time with the PG&E study.

Mr. David Pilpel spoke in support of spending the \$150,000 for the PG&E study.

On the motion, Commissioner Flynn, Toupin and Rodis voted to delete the study from the budget and Commissioner Chiesa and Chin voted against deletion. The motion carried and the study was deleted from the budget.

On motion of Commissioner Toupin, seconded by Commissioner Flynn, the Hetch Hetchy and Bureau of Light, Heat and Power budgets were approved.

Water Department

Mr. Richard Delaney, representing Professional and Technical Engineers, Local 21, commented on the proposal to delete an 1823 Sr. Administrative Analyst position from the Water Department's budget and asked if there would be any encumbrances that would be adversely affected by the elimination of that position.

Mr. Edward Harrington, Finance Director, responded that the position that now has an encumbent in it would bump to another bureau and in that bureau the least senior person would in turn be laid off, assuming there were no vacancies available.

On motion of Commissioner Flynn, seconded by Commissioner Chin, the Water Department operating budget was approved.

Municipal Railway

Mr. Harrington explained the additional changes to the Municipal Railway budget, which include: 1) an increase of approximately \$600,000 in workers' compensation; 2) the reduction from \$1.1 million to \$529,508 for service enhancements paid for by Transit Impact Development Fee monies; and 3) the payment of \$28,000 to the State for hazardous waste disposal fees.

President Chiesa invited public comments.

Mr. Bobby Brown, President, Transport Workers' Union, Local 250A, commented on how the security of the Muni operators is being threatened on a day-to-day basis. He stated that the security of the operators needs to be addressed in this year's budget.

Mr. Pilpel suggested that TIDF funds be used to fill the 9139 Transit Supervisor positions. He also said he was discouraged to see that funding for service enhancements was reduced.

Mr. J.B. Martin, representing Automotive Machinists Union, Local 1305, urged the Commission not to delete the wheelchair lift rebuilt program from the budget.

Mr. Fred Peterson, representing Transport Workers Union, Local 200, referred to their request of February 11, 1991 requesting additional funds to increase the overtime budget in order to improve staffing since there was a reduction in the 9139 classification three year's ago.

Ms. Alice Fialkin, representing Transport Workers Union, Local 200, thanked the Commission for their serious consideration of their proposal.

Mr. Ray Antonio, Treasurer, Transport Workers Union, Local 250A, reemphasized the importance of addressing the security and safety problems facing Muni operators.

On motion of Commissioner Chin, seconded by Commissioner Podis, Resolution No. 91-0037 was approved.

Resolution No. 91-0054 -- Awarding San Francisco Water Department Contract No. WD-2010, Alemany Pump Station Electrical Improvements, in the amount of \$259,000 to Kingston-Cresi, AJV, San Francisco, CA; and requesting the Controller to transfer funds in the amount of \$85,000 from unencumbered balances of completed projects.

Mr. Steve McDonagh, Project Manager, Paganini Electric Corporation, protested the award of the contract to Kingston-Cresi. He stated that his bid was disqualified by the City Attorney's Office because his firm did not meet all the specifications in the bid package. Mr. McDonagh said the specifications called for him to contact PG&E to obtain what their charges would be for the project. He remarked that PG&E had no price for the project and that was the reason why his firm excluded PG&E costs from the bid. Therefore, he was of the opinion that it would be reasonable and economical for the City to reject both bids and rebid the project.

Ms. Angela Karikas, Deputy City Attorney, stated the bid package did provide explicit instructions that all costs were to be included in the bid. Also, the contract specifications clearly stated that all PG&E information should be obtained through the City's Chief Engineer.

On motion of Commissioner Flynn, seconded by Commissioner Podis, Resolution No. 91-0054 was approved awarding the contract to Kingston-Cresi.

Item No. 20 -- Approving the recommendation of the Selection Panel that Environmental Science Associates be hired as the consultant to perform the environmental review for the proposed Crystal Springs Southern Watershed golf course; and authorizing the General Manager of Public Utilities to negotiate a professional services agreement with Environmental Science Associates and to identify a source of funds to pay the City and County of San Francisco's half of the costs of the environmental review.

Mr. Elzey remarked that this is another step in potential development of the proposed Crystal Springs golf course. He noted that this does not commit staff in any way to proceed with the project.

Ms. Deborah Rohrer, Manager, Bureau of Claims & Contracts, said that after a series of hearings on this issue the Commission decided to hire a consultant to do an EIR study. Ms. Rohrer stated that Environmental Science Associates (ESA) had been the firm selected to perform the EIR study on the proposed golf course. She also thanked the selection panel for their work and the Office of Contract Compliance for their support and help in moving this project through the process smoothly.

Ms. Sally Maxwell, Associate-in-Charge, Environmental Science Associates, briefly highlighted ESA's involvement with other projects. She also listed the experience of the firms involved in the EIR study.

Ms. Denise Rousseau, Project Manager, ESA, introduced the project team and gave a brief presentation on ESA's approach to the project. Ms. Rousseau remarked she was aware that this current proposal would face public scrutiny because of several environmental concerns. She stated that ESA is prepared to phase the analysis so that the project can be reconfigured at various steps with the aim of achieving an environmentally sound design since considerable time and effort went into developing the current golf course design.

President Chiesa invited public comments.

The following speakers spoke in opposition to hiring a consultant to perform work on an EIR study for the proposed Crystal Springs golf course:

Mr. Allan Weaver, Representing San Francisco Bay Chapter-Sierra Club
Ms. Olive Mayer, Representing San Mateo County Group-Sierra Club
Mr. Jacob Sigg, Representing Himself
Ms. Barbara Koontz, Representing Edgewood Park Citizens Committee
Ms. Barbara Seitle, Counsel Member, Town of Woodside
Mr. Robert MacBride, Representing Himself
Ms. Sally MacBride, Representing Herself
Ms. Lucy Dobson, Representing Save The Watershed Committee
Mr. John Wade, Representing Peninsula Open Space Trust
Ms. Amy Meyer, Representing People For Golden Gate National Recreation Area
Ms. Lennie Roberts, Representing Green Foothills Committee
Mr. David Pilpel, Representing Himself
Dr. Friedman, Member of the Sierra Club

The following speakers spoke in support of proceeding with the project and the selection of ESA as the environmental consultant:

Supervisor Bill Schumacher, County of San Mateo
Mr. Dick Donati, Representing Himself
Mr. Jack Defigueiredo, Representing Edgewood Park Citizens Committee
Mr. Pete Peabody, Representing Himself
Mr. Dave Christie, Park Director, San Mateo County

Commissioner Flynn spoke in opposition to proceeding with an EIR at this time. He remarked that the Water Department plans to increase water rates to meet their budget needs and to spend \$175,000 to do an EIR study would be contradictory given the present circumstances. Commissioner Flynn suggested that the Commission delay this item to a later date.

Commissioner Chin associated himself with the comments of Commissioner Flynn. He stated that all things considered, this would not be a prudent use of public funds.

Commissioner Rodis expressed concern about the process. He said that the notice did not indicate that the Commission would open up the question of whether or not to proceed with the EIR study. It was decided at the public hearing in Millbrae to proceed with an EIR study. Commissioner Rodis said when the EIR study is completed, then a determination could be made at that time to proceed with the project or not.

Commissioner Toupin moved to delay this item for one month. Commissioner Rodis seconded the motion.

Commissioner Flynn offered a substitute motion to delay this item from one month to six months. Commissioner Chin seconded.

President Chiesa stated she was uncomfortable with proceeding with this project until staff could identify the funding source for the \$175,000.

Mr. Elzey stated he would report back in one month to the Commission with the proposed funding source.

Commissioner Flynn withdrew his motion to delay this process for six months.

Commissioner Toupin was excused at 4:55 P.M.

The vote was 4-0 in favor of delaying this project for one month to identify the funding source.

Public Comments

Ms. Joan Stiff, former Mayor of Woodside, complimented the Commission's careful consideration in delaying the EIR study and also suggested that further thought be given to updating the master plan on Crystal Springs Watershed.

THEREUPON THE MEETING WAS ADJOURNED: 5:04 P.M.

Romaine A. Boldridge
Secretary

MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos

Mayor

REGULAR MEETING

Room 282, City Hall

2:00 P.M.

February 26, 1991

DOCUMENTS SECT.

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COMMISSIONERS

Sherri Chiesa, President

Gordon Chin, Vice President

H. Welton Flynn

Arthur V. Toupin

Rodel E. Rodis

DEPARTMENTS

Hetch Hetchy Project

Municipal Railway

Water Department

BUREAUS

Energy Conservation

Engineering and
Construction Management

Financial Management

Information Systems

Management Efficiency and
Productivity

Personnel and Training

Thomas J. Elzey

GENERAL MANAGER

Romaine A. Boldridge

SECRETARY

Call to Order: 2:11 P.M.

Present: President Sherri Chiesa, Vice President Gordon Chin,
Commissioner H. Welton Flynn, Commissioner Arthur V.
Toupin, Commissioner Rodel E. Rodis

On motion of Flynn, seconded by Chin, the Minutes of the regular meeting of February 12, 1991 were approved.

A tape of the meeting is on file in the Office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Chin, seconded by Rodis, the following resolution was adopted:

91-0057 WD Adopting an increased Mandatory Water Conservation Program dated February 26, 1991 and directing that it be placed in force immediately.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0058 MR Requesting the Controller to draw warrants in payment of claims against the Municipal Railway, totalling \$99,296.76.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0059 WD Requesting the Controller to draw warrants in payment of claims against the Water Department, totalling \$187,500.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0060 FM Approving collection of charges for damages for the months of December, 1990 and January, 1991 against the San Francisco Municipal Railway from miscellaneous debtors in the amount of \$33,704.45 and write-off compromise reductions for comparative negligence in the amount of \$280.69; approving Water Department collections from miscellaneous debtors in the amount of \$17,599.96 and write-off compromise reductions for comparative negligence in the amount of \$1,485.91; and approving Bureau of Light, Heat & Power collections from miscellaneous debtors in the amount of \$260.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

RESOLUTION
NO.

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0061 MR Rejecting all bids received on January 17, 1991 for Municipal Railway Contract No. MR-889, Flynn Facility Modifications; and authorizing readvertisement of the contract under Municipal Railway Contract No. MR-889R.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0062 MR Approving the plans and specifications as prepared and recommended by staff, and authorizing Bid Call for San Francisco Municipal Railway Contract No. MR-891, Test Slurry Wall Construction.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0063 MR Approving Debit Contract Modification No. 2 totalling \$15,089.38 to San Francisco Municipal Railway Contract No. MR-1024, Woods Facility - Furnish and Install Combination Automatic Lock and Non-Rotator Plungers for Existing Hoists; and approving an extension of time of 234 calendar days.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0064 HH Accepting the work performed under Hetch Hetchy Water and Power Contract No. HH-812, Moccasin Creek Diversion Conduit Repair; approving Credit Contract Modification No. 1 in the amount of \$33,562.42; authorizing an extension of time for unavoidable weather delay of two (2) calendar days; and authorizing final payment in the amount of \$36,642.20 to the Contractor, Rigging International.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0065 WD Declaring an emergency to inspect and repair a leak on Bay Division Pipeline No. 4 located adjacent to Edgewood Road east of Cordilleras Road in the City of Redwood City; and requesting the Mayor to recommend to the Board of Supervisors approval of the expenditure of \$150,000.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

RESOLUTION
NO.

On motion of Toupin, seconded by Rodis, the following resolution was adopted:

91-0066 HH Requesting the Mayor to recommend to the Board of Supervisors a supplemental appropriation in the amount of \$960,000 from the deobligation of Hetch Hetchy's capital improvement project 772, Moccasin Shop Buildings, and to amend the operating budget to fund needed services during the remainder of FY 1990/91.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0067 MR Approving the substitution of Monarch Electric Company for Liberty Electric of San Mateo in the proposed subcontract amount of \$26,808 for Municipal Railway Contract No. MR-1022, Metro Yards - Security Fencing & Gates, Woods Yard - Security Fencing & Gates; and permitting Central Fence Company to perform work instead of Fred Chavez Jr. Fence Company in the proposed subcontract amount of \$372,861.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Rodis, seconded by Toupin, the following resolution was adopted:

91-0068 MR Requesting the Mayor to recommend to the Board of Supervisors a supplemental appropriation of \$2,860,309.79 from the Chin and Hensolt, OKA litigation settlement agreement for the following Cable Car system and facilities maintenance, improvement and enhancement projects: Noise Task Force, Offset Slot/Depression Beams, Trackway Improvements, Cable Transport System and System Safety and Code Compliance.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0069 UEB Awarding San Francisco Water Department Contract No. WD-2060, San Andreas Water Treatment Plant Expansion No. 2, in the amount of \$32,980,165 to S.J. Amoroso Construction Co., Inc./Verrett Construction Company, Inc. San Francisco, CA.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Rodis, seconded by Chin, the following resolution was adopted:

91-0070 FM Approving the Transit Impact Development Fee Cost Certification for Fiscal Year 1987/1988 for submission to the San Francisco Board of Supervisors.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

RESOLUTION
NO.

On motion of Flynn, seconded by Rodis, the following resolution was adopted:

91-0071 FM Authorizing the Director of Finance to apply for, accept, and expend \$20,500,000 from 1990/91 Urban Rail Bond Funding for San Francisco Municipal Railway Projects: Market Street Transit Thoroughfare and F-Market Line, Muni Metro Extension, Light Rail Vehicle Purchase, and Muni Metro Preliminary Design, from such regional and local matching fund sources as Transportation Sales Tax, and/or BART extension Capital Reserve funds.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Flynn, seconded by Rodis, the following resolution was adopted:

91-0072 FM Authorizing the Director of Finance to apply for, accept, and expend \$16,605,946 from 1990/91 State Transit Capital Improvement funds and \$16,605,946 from such regional and local matching fund sources as Clean Air and Transportation Act of 1990 Bonds, State Transit Assistance funds, Transportation Development Act, AB 1107 funds Bridge Toll Revenues, Transit Impact Development Fees, Transportation Sales Tax Revenue, Hetch Hetchy funds, and/or the San Francisco Municipal Railway Improvement Corporation funds for San Francisco Municipal Railway Projects: Muni Metro Turnback, F-Market-Embarcadero PCC Streetcar fleet and trolley overhead system, Metro East Light Rail Vehicle Facility and replacing the aged standard-sized trolleys with new articulated trolleys.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0073 FM Authorizing the Director of Finance to apply for, accept, and expend up to \$6 million of State Transit Assistance (STA) funds, to furnish whatever additional information might be requested by the Metropolitan Transportation Commission in connection with this request and to work with the Controller to close-out reserved funds.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Rodis

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

Item No. 8 -- Reconsideration of the Hetch Hetchy 1991/92 Operating Budget.

Commissioner Rodis read a statement regarding his position on the issue of the municipalization of PG&E. A copy is on file with the minutes of this meeting. He stated that since the February 12, 1991 meeting, he had reviewed his previous vote on this issue and was still of the opinion that it would not be feasible at this time to spend \$150,000 on a preliminary study on the municipalization of PG&E.

Commissioner Flynn made a motion not to reconsider the Hetch Hetchy operating budget. Commissioner Toupin seconded.

Commissioner Chin stated he wanted the record to show that last year he had requested a scope of work for the PG&E study as to what \$150,000 would buy. The report reflected the points of information and the cost/benefit issues the City would learn from such a study. Based upon this information, Commissioner Chin said he supported a study of the municipalization of PG&E.

On the motion, Commissioners Flynn, Toupin and Rodis voted not to reconsider the Hetch Hetchy operating budget and Commissioner Chiesa and Chin voted against the motion. The motion carried not to reconsider the Hetch Hetchy operating budget.

Public Hearing

Resolution No. 91-0057 -- Adopting an increased Mandatory Water Conservation Program dated February 26, 1991 and directing that it be placed in force immediately.

Mr. John P. Mullane, General Manager, San Francisco Water Department, presented the revised mandatory water conservation program. He said if implemented, this program would have a significant impact on every individual who lives and works in San Francisco, San Mateo, Santa Clara and Alameda counties. If this plan is not adopted, there would be a significant impact on the availability of the water supply to 2.6 million people. He stated that this rationing plan was not the only effort staff had taken to obviate the current supply situation; in addition, water had been purchased from Placer County Water Agency and Modesto Irrigation District.

He described the current level of Hetch Hetchy's storage at 9% of its capacity and New Don Pedro at 42% of capacity. Local storage, which includes the peninsula and Alameda County was at 36%. Overall, that represented 26% of capacity storage for a system that has to provide water to 2.6 million people. Mr. Mullane stated that it was for these reasons this program was being developed. Currently, there is a mandatory rationing program requiring a 25% system-wide reduction. Mr. Mullane remarked that both the people in San Francisco and suburban resale areas had achieved a 24% reduction versus the 25% goal. He stated the recommended plan for adoption would be increased to a 45% system-wide reduction but that depending upon changes in weather conditions, staff may have to come back to the Commission to increase or decrease the 45% system-wide goal.

Mr. Mullane stated there were two minor changes to the proposed mandatory water conservation program that were not included in the package and requested that they be incorporated in the plan. He said that the proposed mandatory water conservation program had five basic elements: 1) increased levels of rationing; 2) additional water use restrictions; 3) excess use charges; 4) increased enforcements; and, 5) mandatory conservation inspection.

Increased Levels of Rationing

Mr. Mullane explained the proposed mandatory water conservation program for San Francisco. Maximum allotments would be 300 gallons per day for residential households and 150 gallons per day per living unit in apartment buildings. The minimum allocation for all residential accounts would be 50 gallons per day per documented resident. Additionally, irrigation services would be cut by 90%, providing it was a service purely for irrigation. The commercial/industrial allocations would be reduced by the same amount as the residential accounts. The only exception would relate to health care facilities, provided that they install water conservation devices on the premises. Allocations for new accounts would be 50 gallons per day which would be re-evaluated once they have demonstrated to the Water Department that they had installed water conservation devices.

Additional Water Use Restrictions

He further explained the existing water use restrictions and the proposed new restrictions of the plan. Violation of any water use restrictions could result in the installation of a restricting device in the service line of the customer and continued violation would result in termination of water service.

Excess Use Charges

Mr. Mullane said that the current excess use charge would remain in effect, which basically stipulates that if the allotment is exceeded by less than 10% the penalty or excess use charge would be twice the basic rate. If the allotment is exceeded by 10% to 20% the charge is eight times the existing rate and if over 20% the amount is ten times the basic rate. The difference in the administration of this element of the program is that anyone who exceeds their allotment by two consecutive billing periods would find a restriction device placed in their service line. Further, a third consecutive time would result in termination of the customer's water supply.

Increased Enforcements

Additionally, violations of water use restrictions would be looked at more closely. The first violation would result in a written notice to provide the customer with all legal notification of the violation. The second violation would result in the placement of a restriction in the service line and the third violation would result in the termination of water supply.

Mandatory Conservation Inspections

The fifth element of the program is the requirement for mandatory conservation inspections for all large water users, particularly for facilities where there is a reasonable indication of water waste. Failure to allow the Water Department to perform such an inspection would result in a reduction of their allotment, which would result in an increase in their excess use charge and the possible termination of water service.

Mr. Mullane stated that the same percentages would be applied to the suburban resale customers as would be applied in San Francisco. The suburban customers jointly would be allowed, within the pool of water allocated to them at the reduced level, to allocate among their respective districts. The sum of those allocations must total the reduced allocation that would be provided to them under this program. Mr. Mullane strongly urged the suburban resale customers to adopt water use restrictions and enforcement programs similar to San Francisco, in order to achieve the same savings and benefits. Banking provisions allowed under the current program would be extended to the proposed program. Failure to pay excess use charges that are not under protest in a timely fashion may result in the rescission of the banking provisions for any specific provider.

This program would be funded from the current budget and the 1991/92 budget to continue rationing at the 25% level. In order to fund a higher level of rationing, staff will be coming back to the Commission with a supplemental appropriation for the balance of the current FY 1990/91 and for FY 1991/92.

Mr. Mullane explained the implementation schedule of when water use restrictions, allocations, and rates would become effective should the Public Utilities Commission adopt the recommended mandatory rationing program.

President Chiesa invited public comments.

Mr. James Beard, President, Bay Area Water Users Association, raised four points of concern: 1) recognizing that the water supply situation is serious and that tough measures are needed to conserve the present water supply; 2) pointing out that the suburban customers were asked to cut their water consumption by more than 45%, while San Francisco itself is about 32%, which makes truly severe demands on the suburban customers; 3) noting that the suburban customers have not had enough time to review the proposed plan but that they are personally committed to working cooperatively with the San Francisco Water Department to achieve their objectives; and, 4) urging San Francisco to seek every available avenue to secure supplemental water supplies for the Bay Area with vigor and determination.

Mr. Douglas Short, Vice President, Bay Area Water Users Association, concurred with Mr. Beard's comments and expressed his appreciation for the efforts of the San Francisco Water Department in keeping the suburban customers apprised of the situation.

Mr. John Farbstain, resident of Belmont, stated that he was not objecting to the proposed plan, but was disappointed that the suburban customers must bear the brunt of the burden. He urged the Commission to take whatever action was necessary to insure that the hardship be borne equally by the entire State and not just by a few isolated counties.

Mr. Louis Giraudo, Chairman of the Board, San Francisco French Bread Company, stated that their firm provides 26% of all bread consumed in San Francisco. He stated that he understood the seriousness of the present situation and would do everything possible to contribute to the water conservation effort. Since 45% of bread consists of water, Mr. Giraudo asked the Commission to look at the appeal process for essential food producers. He stated that his company employs 1,000 people, and that they may have to lay off workers.

Mr. Al Adreveno, Vice President, Coastside County Water District, remarked that San Francisco is their principle source of water supply for the Half Moon Bay area. During the 1976/77 drought, the floriculture industry was hit particularly hard. As a result, the industry developed several water conservation techniques. Mr. Adreveno said that he hoped that the current rationing plan recognizes the floriculture industry's need for summer water so that their local economy would not be too severely damaged. Also, he urged the San Francisco Water Department to buy and purchase water from other sources to meet the demands of their customers.

Ms. Jessica Bernstein, representing San Francisco Chamber of Commerce, expressed their support for the mandatory water conservation program. However, she stated that the Commission should carefully consider how the implementation of this policy would affect businesses and their employees.

Mr. Mike McNeely, representing the City of Milpitas, made reference to a letter from the Mayor of Milpitas encouraging San Francisco Water Department to continue to pursue supplemental water supplies at this critical time.

Mr. Dan Alexander, President, Purissima Hills Water District, remarked that their allocation was the most severely cut out of all the retail agencies served and requested that the Commission consider a more equitable distribution to the Los Altos Hills area district.

Mr. Don McIntosh, Director of Facilities, Advanced Micro Devices, Inc., stated they employ about 12,000 employees and are responsible for about \$1 billion a year in sales. However, his main concern was the potential interruption of their water supply which would cause them to cease operations and the employment of many people, since they depend on a good supply of very clean water to operate their facilities. Mr. McIntosh said it was their intention to continue to work with the Water Department to improve their methods of conservation, but would like to have their fair share of water supply.

Dr. Thomas English, Director of Environmental Programs, Santa Clara County Manufacturing Group (SCCMG), stated that SCCMG is an association of approximately 100 member companies which employs over 200,000 people. He explained their efforts and goals in implementing programs to conserve water. Mr. English cautioned the Commission to be sensitive to those companies where additional reduction of water would have a direct economic impact and also encouraged the purchase of new sources of water.

Mr. Ron Enomoto, resident of Half Moon Bay, stated that he owns and operates a small greenhouse business in Half Moon Bay and that after the drought in 1977, they made every effort to conserve water by various techniques. Mr. Enomoto said he was concerned that he had conserved himself out of business due to his conservation efforts. Therefore, he requested that in the appeal process there would be provision to take into account successful conservation practices.

Mr. Charles Findeisen, representing Nurserymen's Exchange, said that he hoped that they would not have to reduce their employee ratio as a result of the proposed rationing plan.

Mr. Tom Reynolds, President, Cointrol Equipment Corporation, presented a statement made by the President of the California Carwash Association to the State Water Resources Control Board hearing on January 29, 1991. He stated that the California Carwash Association had been addressing water usage and conservation methods by using recycled water, high pressure low volume pumps and computer controlled rinses. He pointed out that they are really a part of the solution and not the problem because commercial carwashes are in a controlled environment resulting in the conservation of water.

Mr. Clive Davies, Chief Operating Officer, Linear Technology Corporation, stated that they are a growing industry which employs about 700 people. Mr. Davies said that their existing allotment of water would have to remain the same. Otherwise, they would not be able to continue to grow and compete in the world market place, which could jeopardize approximately 300 jobs.

Mr. Harold Wright, representing Forest Hill Association, spoke in support of the rationing program but was of the opinion that the specific allocation method was unfair. He stated allocations should be made on a per capita basis so that those who were not wasting water in 1987 are not penalized.

Ms. Virginia McCullough, resident of Sunol, spoke in opposition to Mission Valley Rock's quarrying in the San Francisco Water Department Sunol Valley watershed. She said that their operation caused depletion and deterioration of the water supply.

Ms. Patricia Stillman, resident of Sunol, stated that the community of Sunol was opposed to Mission Valley Rock's application for a new quarry permit. Ms. Stillman said that she hoped the Public Utilities Commission would think very carefully about this matter before approving the permit for a new quarry, which consumes vast amounts of water.

Mayor John Sutorius, City of Palo Alto, remarked that they have been a long and valued customer of the San Francisco Water Department and have absolute empathy and understanding regarding the decisions that have to be made. He presented the Commission three charts that explained the City of Palo Alto's historical and projected water consumption. Mayor Sutorius did say they hope to see that the important public health and emergency response services of their hospitals would be protected.

Mr. Nathan Ratner, Chairman, San Francisco Clean Water Program, stated that water is the most critical thing in San Francisco and that we must plan for the future.

Ms. Dorothy Demsey, resident of San Francisco, commented on her conscientiousness in conserving water. She stated that during the drought of 1976 her family of six dropped their water consumption from 324 gallons per day to 144 gallons per day. Presently, she said there are now only two members in her family with an allotment of 177 gallons per day of which they consume only 96 gallons per day.

Commissioner Chin commended Ms. Demsey for her efforts in conserving water.

Mr. James Peters, objected to the restriction that all self-serve car washes use recycled water. He said if this restriction is imposed 93% of self-serve car washes will be forced to close their businesses.

Mr. David Pilpel encouraged the Commission not to consider new water service connections during the drought.

Commissioner Flynn asked staff to look into the possibility of some type of modification to the program or relief for industries whose employee's jobs may be at risk due to the new rationing plan.

Commissioner Toupin stated that we should have an on-going effort to minimize the amount of economic deprivation or damage that can result from this new plan. He said he was impressed with the fact that the self-serve car washes are alleged to use less water than anybody else and was concerned that if we require they use recycled water we would put them out of business.

Commissioner Flynn asked staff to report back to the Commission on how much water is used in the quarries.

Commissioner Rodis asked how staff plans to enforce water restrictions on the Crystal Springs Golf Course given the fact they are not billed for their water.

Mr. Mullane replied that the Water Department is in the process of reviewing all of their lessees and their use of water and whether they are using the water efficiently or not. He said that Crystal Springs Golf Course can use potable water only for irrigation of the greens which will be enforced.

Commissioner Flynn stated that staff should present to the Commission a plan which would cause the Water Department to have sufficient staff to police the areas to see whether or not people are complying with all water restrictions.

Mr. Mullane responded that a major component of the supplemental appropriation is enforcement.

President Chiesa asked what flexibility there was in the plan to address situations like that of Mr. Enomoto who has reduced his water by 85% since 1977 and to be reduced further would mean the end of his business. She said for those people who are making every effort to conserve water, consideration should be given.

Mr. Mullane replied that to the extent that the Department can negotiate additional augmentation of water supplies, they would be recommending that those incremental increases in water be allocated both inside and outside San Francisco to the business communities realizing that there would be a more significant impact on them.

Mr. Thomas J. Elzey, General Manager, Public Utilities, stated there is an appeals process in the plan designed to address concerns brought to the department which would be weighed individually.

Commissioner Flynn inquired about the water used at Candlestick Park to wet the field during the 7th inning stretch during baseball season.

Mr. Mullane responded that the department is in the process of drafting a letter to the General Manager of the Recreation and Park Department addressing that issue.

Commissioner Chin remarked he would like staff to look into the rock quarry issue and its use of water. He also said that in addition to implementing water conservation measures for City departments, that staff needs to adopt the same attitude toward City-leased property. Commissioner Chin stated that staff should look at each individual industry to determine their water needs and how each industry is doing in terms of water conservation. He further mentioned that customers should not be penalized who had already conserved water and that perhaps in the long term staff should look at implementing the per capita system.

President Chiesa thanked all the speakers for their comments and stated that adopting this plan would bring hardships on everyone but that there is no other choice.

On motion of Commissioner Chin, seconded by Commissioner Rodis, Resolution No. 91-0057 was approved as amended.

Resolution No. 91-0066 -- Requesting the Mayor to recommend to the Board of Supervisors a supplemental appropriation in the amount of \$960,000 from the deobligation of Hetch Hetchy's capital improvement project 772, Moccasin Shop Buildings, and to amend the operating budget to fund needed services during the remainder of FY 1990/91.

Mr. Anson B. Moran, General Manager, Hetch Hetchy Water & Power, stated that this supplemental request is to provide funding for contracts in the future.

Commissioner Chin remarked on the importance over the next two or three years of looking at in-house attorney services versus contractual consultant services.

On motion of Commissioner Toupin, seconded by Commissioner Rodis, Resolution No. 91-0066 was approved.

New Business

President Chiesa congratulated Edward Harrington, Finance Director, on his recent proposed appointment as Controller of the City and County of San Francisco. She also congratulated Commissioner Rodis in his appointment to the Community College Board.

Public Comments

Mr. David Pilpel commented on the departure of Commissioner Rodis, Edward Harrington and Deborah Rohrer, three valuable members of the Public Utilities Commission.

THEREUPON THE MEETING WAS ADJOURNED: 5:28 P.M.

Romaine A. Boldridge
Secretary

M I N U T E S

91
PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos

Mayor

REGULAR MEETING

Room 282, City Hall

2:00 P.M.

March 12, 1991

COMMISSIONERS

Sherri Chiesa, President

Gordon Chin, Vice President

H. Welton Flynn

Arthur V. Toupin

DEPOSITORY ITEM
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DEPARTMENTS

Hetch Hetchy Project

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Water Department

BUREAUS

Energy Conservation

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Construction Management

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Information Systems

Management Efficiency and
Productivity

Personnel and Training

Thomas J. Elzey

GENERAL MANAGER

Romaine A. Boldridge

SECRETARY

Call to Order: 2:15 P.M.

Present: President Sherri Chiesa, Vice President Gordon Chin,
Commissioner H. Welton Flynn

Excused: Commissioner Arthur V. Toupin

On motion of Chin, seconded by Flynn, the Minutes of the regular meeting of February 26, 1991 were approved.

A tape of the meeting is on file in the Office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0074 MR Adopting Modifications to the Schedule of Rates, Fares, and Charges of the San Francisco Municipal Railway related to the AC/BART Plus Muni Pass, AC/Muni Transbay Pass, BART/Muni Cash Transfer, and Golden Gate/Muni Bus to Bus Pass.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0075 MR Authorizing the General Manager of Public Utilities to enter into agreements with regional transit agencies to reflect changes, effective July 1, 1990 and terminating June 30, 1991.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0076 MR Authorizing the Director of Finance to apply for, accept, and expend \$13,815,120 UMTA Section 9 capital assistance funds and \$3,453,780 from local match funds such as State Transit Capital Improvement Funds, State Urban Rail Bond Funds, State Clean Air and Transportation Improvement Act Bond Funds, State Transit Assistance Funds, Transportation Development Act Funds, Bridge Toll Net Revenues, Gas Tax Revenues, Hetch Hetchy Revenues, Transit Impact Development Fees, San Francisco Municipal Railway Improvement Corporation Funds, and/or San Francisco County Transportation Sales Taxes for the following Municipal Railway Projects: Fixed Facility Rehabilitation, Processing and Office Equipment, F-MARKET Streetcar (PCC) Renovation, Trolley Overhead Reconstruction, Replace 24th and Utah Street(s) Shops, and Preparation of a Standard Trolley Bus Specification.

VOTE: Ayes - Chiesa, Chin, Flynn

RESOLUTION
NO.

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0077 MR Requesting the Controller to draw warrants in payment of claims against the Municipal Railway, totalling \$95,000.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0078 MR Accepting the work performed under Municipal Railway Contract No. MR-866, Cable Car Barn - Turntable Rehabilitation; authorizing an extension of time for unavoidable delays of 133 calendar days; and authorizing final payment in the amount of \$3,879.19 to the Contractor, Valentine Corporation, San Rafael, CA.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0079 MR Approving Contract Modification No. 1 totalling \$320,790 to San Francisco Municipal Railway Contract No. MR-881, No. 31 Balboa Line Electrification - Trolley Coach Overhead Construction; and approving an extension of time of 10 working days, to the Contractor, Abbett-Yick, AJV.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0080 MR Accepting the work performed under Municipal Railway Contract No. MR-1011-R, Presidio Yard - Security Fencing & Gates; authorizing an extension of time for unavoidable delays of 182 calendar days; and authorizing final payment in the amount of \$40,653.18 to the Contractor, Interlane and P & J Utility Co., San Francisco, CA.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0081 WD Approving the plans and specifications as prepared and recommended by staff, and authorizing Bid Call for San Francisco Water Department Contract No. WD-2086, Repaving of Street and Sidewalk Openings.

VOTE: Ayes - Chiesa, Chin, Flynn

RESOLUTION
NO.

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0082 WD Accepting the work performed under San Francisco Water Department Contract No. WD-2018, 8-Inch Ductile Iron Main Installation; approving Debit Contract Modification No. 1 in the amount of \$5,304.80; authorizing an extension of time for unavoidable delays of 58 working days; and authorizing final payment in the amount of \$12,439.90 to the Contractor, Berrios Construction Company, Inc.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0083 BLHP Approving Contract Modification No. 1 to San Francisco Bureau of Light, Heat and Power Contract No. BLHP-201, Maintenance, Repair and Alterations of City-Owned Street Lighting Systems, increasing the contract amount for additional work from \$732,153.84 to \$787,153.84, to the Contractor, Kingston-Cresci, AJV.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0084 UEB Authorizing the reallocation of \$148,850 from the Utilities Engineering Bureau's Rental of Property to Materials and Supplies to purchase software, supplies and minor furnishings.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0085 PM Approving the Non-Civil Service and Temporary appointments and removals as indicated on the Temporary Employment Activity Roster, for the month of January, 1991.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0086 GM Honoring Doris Kahn for her fourteen (14) years of dedicated service as the Mayor's Representative on the Metropolitan Transportation Commission (MTC) and her commitment to and advocacy of Public Transit.

VOTE: Ayes - Chiesa, Chin, Flynn

RESOLUTION
NO.

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0087 WD Authorizing the issuance of not-to-exceed \$76,000,000 principal amount of San Francisco Water Revenue Bonds, 1991 Series A; authorizing execution and delivery of a first supplemental indenture; adopting an official statement; authorizing execution of a purchase contract; delegating to the General Manager and Assistant General Manager, Finance, of the Commission power to complete indenture and bond purchase contract; and authorizing distribution of documents and taking of necessary action.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0088 WD Requesting the Mayor to recommend to the Board of Supervisors a Water Department supplemental appropriation request in the amount of \$300,000 to fund claims known and anticipated for payment during this fiscal year.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0089 HH Authorizing the General Manager of Public Utilities to execute Modification No. 5 to the Agreement between the Public Utilities Commission on behalf of the City and County of San Francisco and Brian E. Gray, Attorney-At-Law, increasing the length of the contract to December 31, 1992 without an increase in the contract amount.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0090 HH Authorizing the Real Estate Department to negotiate and execute a lease agreement with Robin Tyler Productions for the use of Cabin Number One at Camp Mather.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0091 MR Reaffirming approval of the "Assignment of Advertising Transit Shelter Agreement" and authorizing the General Manager of Public Utilities to execute the "Assignment of Advertising Transit Shelter Agreement."

VOTE: Ayes - Chiesa, Chin, Flynn

RESOLUTION
NO.

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0092 FM Requesting the Board of Supervisors to amend the Administrative Code, Section 1.39 which will allow the Public Utilities Commission to enter into hold harmless agreements with other transit agencies.

VOTE: Ayes - Chiesa, Chin, Flynn

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

New Business

Commissioner Chin inquired on the status of the two vacant deputy general manager positions in the Municipal Railway.

Mr. Johnny B. Stein, General Manager, Municipal Railway, responded that the Deputy of Transportation position had been affected by the hiring freeze but that the Deputy of Administration position would be filled with an NCS appointment.

Commissioner Chin also asked staff what could be done about water penalty charges imposed upon landlords in multi-unit buildings since the landlord does not have control over his tenant's consumption of water. Commissioner Chin requested staff to prepare an analysis related to the excess use charges imposed on landlords.

Mr. John P. Mullane, General Manager, Water Department, explained that the Water Department took the position that a 50% pass through of penalties from the landlord to the tenant would be appropriate because it put an equal financial burden on both the landlord and the tenant to conserve--the tenant to change their habits and the landlord to retrofit his facility in such a way that they could both contribute towards water conservation. He stated that there was no way to determine the consumption of water by tenants other than individually metering each apartment dwelling. Mr. Mullane explained the two methods of metering apartment dwellings: 1) having the Water Department install individual services for each apartment, which would be extremely costly to the landlord, and 2) the landlord hiring a private plumber to install meters in-line, which would be less expensive.

Report of the General Manager

Graffiti

Ms. Barbara Conway, Graffiti Prevention Program Manager, updated the Commission on the three projects that the Graffiti Prevention Program had on-going. Being recipients of a \$75,000 grant from Pacific Telesis, Ms. Conway said the Graffiti Prevention Program was able to hire five parttime youth counselors and a parttime creative design project manager to assist her on the three on-going projects. The three projects are: 1) Parent and Youth Sessions (PAYS), which is a program where youths who are caught writing graffiti must attend sessions with a parent, (this program is designed to help youths understand the financial cost and

unattractiveness graffiti presents to the City); 2) filling the empty spaces inside Municipal Railway buses with posters donated from various schools, instead of reproducing car cards, which is very expensive; and 3) taking an inventory throughout San Francisco of the different kinds of graffiti and defining what is graffiti, which involved coordination with different public, private, and local agencies that are responsible for cleaning graffiti. She said the intention of this grant was to launch a city-wide campaign that was designed to deal with graffiti, not just with Muni's graffiti. She also indicated that the Police Department had been extremely cooperative with this project, as well as the Juvenile Probation Department.

The Commission congratulated Ms. Conway for her efforts in taking a program from nothing and building it into what has become a very creative solution to a very tough program.

Public Hearing

Resolution No. 91-0076 -- To consider authorizing the Director of Finance to apply for, accept, and expend \$13,815,120 UMTA Section 9 capital assistance funds and \$3,453,780 from local match funds such as State Transit Capital Improvement Funds, State Urban Rail Bond Funds, State Clean Air and Transportation Improvement Act Bond Funds, State Transit Assistance Funds, Transportation Development Act Funds, Bridge Toll Net Revenues, Gas Tax Revenues, Hetch Hetchy Revenues, Transit Impact Development Fees, San Francisco Municipal Railway Improvement Corporation Funds, and/or San Francisco County Transportation Sales Taxes for the following Municipal Railway Projects: Fixed Facility Rehabilitation, Processing and Office Equipment, F-MARKET Streetcar (PCC) Renovation, Trolley Overhead Reconstruction, Replace 24th and Utah Street(s) Shops, and Preparation of a Standard Trolley Bus Specification.

Mr. Fred Howell, Director of Resources, Planning and Development, Finance Bureau, gave a presentation on the San Francisco Municipal Railway Fiscal Year 1991 Urban Mass Transportation Act Section 9 grant application. (A copy of the transcript is on file with these minutes.)

President Chiesa invited public comments. There were none.

On motion of Commissioner Flynn, seconded by Commissioner Chin, Resolution No. 91-0076 was approved.

Public Hearing

- Item No. 8 -- (a) To consider adoption of a revised Schedule of Rates for San Francisco and suburban retail customers, including a base rate increase, drought surcharge and irrigation service rate schedule.
- (b) To consider adoption of a revised Schedule of Rates for suburban wholesale customers, including a base rate increase and drought surcharge.

Mr. John P. Mullane, General Manager, Water Department, explained the rate package addressing the issues of balancing the Fiscal Year 1991/92 budget, taking care of drought-related situations and the potential for the purchase of water from the State. With the use of charts, Mr. Mullane presented an overview of what the rate increases

would be for in-city rates and wholesale suburban rates. Under Plan 1, Without the Purchase of Water from the State, there would be a rate increase of 14% for in-city customers, a 64% rate increase for suburban wholesale customers, and a 43% drought surcharge increase required to balance the budget based upon the assumption that consumption would be reduced in proportion to the 45% mandatory rationing program adopted February 26, 1991. Under Plan 2, there would be a cost for the purchase of water depending upon what the costs would be for the purchase of water from the State water bank, in addition to a 14% rate increase for in-city customers and an anticipated 64% rate increase for suburban wholesale customers. At this point, he said there could be further modifications to the rates in order to pay for the additional water purchased from the State water bank. He suggested that the Commission continue the matter until the March 26, 1991 meeting.

President Chiesa invited public comments.

Mr. Earl Lenahan, Secretary, Bay Area Water Users Association, requested that the Commission continue to accept testimony until the March 26, 1991 meeting. Mr. Lenahan said he appreciated the difficulties involved in setting rates in a short time and under these uncertain circumstances where costs related to the emergency drought water bank cannot be estimated.

No action was taken by Commissioners. The public hearing was continued until March 26, 1991.

Public Hearing

Resolution No. 91-0074 -- Amending the fare schedule for the Municipal Railway to revise the Municipal Railway's share of revenue from certain inter-operator passes.

Resolution No. 91-0075 -- Authorizing the General Manager of Public Utilities to enter into agreements with regional transit agencies to reflect changes, effective July 1, 1990 and terminating June 30, 1991.

Ms. Kathleen Kelly, Deputy Director, Resource Planning and Development, Finance Bureau, gave a presentation on modifying the Municipal Railway Fare Schedule related to the different passes. Ms. Kelly explained that there were two resolutions being proposed. The first resolution would amend the Muni Fare Schedule and the second resolution would authorize the General Manager of Public Utilities to enter into agreements with the transit agencies to implement the inter-operator pass program.

Ms. Kelly noted that the Board of Supervisors passed a resolution requiring that not only should we comply with the legal requirements for public hearing but that in addition we should post notices of all changes to the fares on Muni buses. All legal requirements for notice were met, but no notice was posted on the buses.

President Chiesa invited public comments.

Mr. David Pilpel was of the opinion that adequate notice had not been given to passengers of any increases related to the passes. He asked several questions related to the BART Plus Pass, the Golden Gate ferry transfers, the AC Transit transfer stickers, the BART/Muni transfers and whether these changes would include ball park service.

Ms. Kelly replied that the inter-operator passes would be treated the same as the Fast Pass, and that the Finance Bureau would meet with Mr. Pilpel to address his questions related to the details of each pass.

On motion of Commissioner Flynn, seconded by Commissioner Chin, Resolution No. 91-0074 and Resolution No. 91-0075 were approved.

Resolution No. 91-0086 --Honoring Doris Kahn for her fourteen (14) years of dedicated service as the Mayor's Representative on the Metropolitan Transportation Commission (MTC) and her commitment to and advocacy of Public Transit.

Mr. Edward Harrington, Finance Director, indicated that a plaque would be presented to Doris Kahn at a reception next week honoring her for her fine efforts and commitment to public transit.

On motion of Commissioner Flynn, seconded by Commissioner Chin, Resolution No. 91-0086 was approved.

Resolution No. 91-0087 --Authorizing the issuance of not-to-exceed \$76,000,000 principal amount of San Francisco Water Revenue Bonds, 1991 Series A; authorizing execution and delivery of a first supplemental indenture; adopting an official statement; authorizing execution of a purchase contract; delegating to the General Manager and Assistant General Manager, Finance, of the Commission power to complete indenture and bond purchase contract; and authorizing distribution of documents and taking of necessary action.

Mr. Harrington stated that the proposed resolution would authorize the issuance of \$76 million principal amount of San Francisco Water Revenue Bonds. He noted that of the \$76 million in Water Revenue Bonds, \$67 million would pay for the reconstruction and replacement of existing facilities of the Water Department and Hetch Hetchy Capital Programs and repay ourselves for expenditures made on portions of the program. The remaining \$9 million would be a debt reserve fund.

On motion of Commissioner Chin, seconded by Commissioner Flynn, Resolution No. 91-0087 was approved.

Public Comments

Ms. Virginia McCullough, resident of Sunol, spoke in opposition to the proposed Surface Mining Permit No. 29 approved for Mission Valley Rock Co. by the Alameda County Board of Supervisors. She stated that other bay area water districts are not allowing quarrying operations on their land during the current drought. Ms. McCullough requested information on how much water was being used by this quarrying operation and how much was being charged for the water.

President Chiesa requested a response at the next Commission meeting to Ms. McCullough's complaint.

Mr. David Pilpel inquired as to whether the increase in the Muni Fast Pass to \$30 was part of the budget that the Commission adopted.

Commissioner Flynn replied that a modification of the Fast Pass could not be in the budget unless the Commission had a rate hearing prior to the budget being approved.

THEREUPON THE MEETING WAS ADJOURNED: 3:30 P.M

Romaine A. Boldridge
Secretary

MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos

Mayor

SPECIAL MEETING

Room 2C, City Hall

9:00 A.M.

March 29, 1991

DEPOSITORY ITEM
DOCUMENTS DEPT.

APR 5 1991

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PUBLIC LIBRARY

COMMISSIONERS

Sherri Chiesa, President

Gordon Chin, Vice President

H. Welton Flynn

Arthur V. Toupin

DEPARTMENTS

Hetch Hetchy Project

Municipal Railway

Water Department

BUREAUS

Energy Conservation

Engineering and
Construction Management

Financial Management

Information Systems

Management Efficiency and
Productivity

Personnel and Training

Thomas J. Elzey

GENERAL MANAGER

Romaine A. Boldridge

SECRETARY

Call to Order: 9:05 A.M.

Present: Vice President Gordon Chin, Commissioner H. Welton Flynn,
Commissioner Arthur V. Toupin

Excused: President Sherri Chiesa

A tape of the meeting is on file in the Office of the Secretary of
the Public Utilities Commission.

RESOLUTION
NO.

On motion of Toupin, seconded by Flynn, the
following resolution was adopted in Executive
Session:

91-0093 PM Approving settlement of Klaus Zimmerman, Superior
Court Case No. 844-419.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the
following resolution was adopted:

91-0094 MR Requesting the Controller to draw warrants in
payment of claims against the Municipal Railway,
totalling \$24,152.94.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the
following resolution was adopted:

91-0095 WD Approving the transfer of unclaimed credit balances
in the amount of \$72,046.16 from San Francisco Water
Department Consumers' Closed Accounts to the San
Francisco Water Department's Unappropriated Surplus.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the
following resolution was adopted:

91-0096 WD Awarding San Francisco Water Department Contract No.
WD-2058, 8-Inch Ductile Iron Main Installation in
Fourth Street between Market and Townsend Streets,
in the net amount of \$406,985.20 to Stacy and
Witbeck, Inc., San Francisco, CA.

VOTE: Ayes - Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

- 91-0097 MR Designating Tuesday, April 23, 1991, at 2:00 p.m. in Room 282, City Hall, San Francisco as the date, time and place for a public hearing for considering an amendment to the Muni Fare Code pertaining to the introduction of a seven-day Passport which would allow unlimited travel on the Municipal Railway's scheduled service, including Cable Cars.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

- 91-0098 MR Approving the plans and specifications as prepared and recommended by staff, and authorizing Bid Call for San Francisco Municipal Railway Contract No. MR-888, No. 30 Stockton Line Trolley Coach Overhead Reconstruction.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

- 91-0099 MR Approving the plans and specifications as prepared and recommended by staff, and authorizing Bid Call for San Francisco Municipal Railway Contract No. MR-893, Special Rail Procurement for the J-Church and M-Oceanview (J-M) Layover Terminals and Geneva Car barn Modification Projects.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

- 91-0100 MR Approving the plans and specifications as prepared and recommended by staff, and authorizing Bid Call for San Francisco Municipal Railway Contract No. MR-1038, Muni Metro System Castro No. 10 Crossover.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

- 91-0101 BMIS Authorizing the transfer of \$95,000 from Bureau of Management Information Systems' 1990/91 Data Processing Lease Maintenance to Materials and Supplies, Training, DP/WP Equipment and Contractual Services.

VOTE: Ayes - Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0102 PM Approving the Non-Civil Service and Temporary appointments and removals as indicated on the Temporary Employment Activity Roster, for the month of February, 1991.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0103 WD Designating Tuesday, April 23, 1991, at 2:00 p.m., in the Chambers of the Board of Supervisors, City Hall, San Francisco as the date, time and place for a public hearing to consider adopting revisions to the current Mandatory Water Conservation Program.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0104 WD Authorizing the General Manager of Public Utilities to enter into an agreement with the State Department of Water Resources to purchase water from the California Drought Emergency Water Bank for delivery to San Francisco's San Antonio Reservoir.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0105 WD Authorizing the General Manager of Public Utilities to enter into an agreement with the Placer County Water Agency to purchase surplus surface water, and an agreement with the State Department of Water Resources for delivery of water to San Francisco's San Antonio Reservoir.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0106 HH Authorizing the General Manager of Public Utilities to negotiate and execute a professional service agreement with ERM West, Inc. to provide professional engineering services to the City of San Francisco till June 30, 1992 at an amount not-to-exceed \$250,000.

VOTE: Ayes - Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0107 HH Agreeing to the First Amendment to the Agreement with Vinson & Elkins, increasing the contract amount by \$300,000, for a total not-to-exceed \$600,000, and extending the term of the contract to June 30, 1992.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0108 HH Authorizing the General Manager of Public Utilities to execute an agreement with Ellis, King, and Prioleau for outside legal services in the upcoming FERC hearings, such contract to terminate June 30, 1992 and not exceed the sum of \$60,000.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0109 UEB Rejecting all bids on San Francisco Water Department Contract No. WD-2037, Calaveras Pipeline Replacement and Outlet Facilities Modifications and authorizing readvertisement under WD-2037R.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0110 MR Rejecting all proposals for paratransit broker services; and authorizing circulation of a revised Request-for-Proposals to provide paratransit broker services from October 1, 1991 to June 30, 1996.

VOTE: Ayes - Chin, Flynn, Toupin

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

Announcement

Commissioner Chin announced that the Commission met in Executive Session on March 29, 1991 and approved settlement of Klaus Zimmerman vs. Hearing Officer, Superior Court Case No. 844-419.

Mr. Thomas J. Elzey, General Manager, Public Utilities, requested that the Public Hearing on Water Rates be recalendared from April 9, 1991 to April 23, 1991.

Resolution No. 91-0104 -- Authorizing the General Manager of Public Utilities to enter into an agreement with the State Department of Water Resources to purchase water from the California Drought Emergency Water Bank for delivery to San Francisco's San Antonio Reservoir.

Resolution No. 91-0105 -- Authorizing the General Manager of Public Utilities to enter into an agreement with the Placer County Water Agency to purchase surplus surface water, and an agreement with the State Department of Water Resources for delivery of water to San Francisco's San Antonio Reservoir.

Mr. John P. Mullane, General Manager, Water Department, stated that in January, 1991 the Commission authorized the General Manager of Public Utilities to seek supplemental sources of water for purchase. He explained that these two resolutions would authorize the General Manager of Public Utilities to enter into agreements with the California Drought Emergency Water Bank and the Placer County Water Agency for the purchase and delivery of water to the San Francisco Water Department. The amount of water purchased from the State water bank would be 50,000 acre feet at a cost of \$22.5 million. In addition, approximately 23,000 acre feet of water would be purchased from Placer County Water Agency at a cost of \$6.3 million. Mr. Mullane said that the source of funding for these water purchases would come from defunding various capital projects in the Water Department's 1990/91 operating budget with the intent of restoring funding to those capital projects in the 1991/92 operating budget from water sales.

Commissioner Flynn requested that a list of the capital projects to be defunded be provided in the future.

Mr. Earl Lenahan, Secretary, Bay Area Water Users Association, spoke in support of water purchases from various sources and requested that the Commission continue to authorize the General Manager of Public Utilities to proceed with water purchases.

On motion of Commissioner Flynn, seconded by Commissioner Toupin, Resolution Nos. 91-0104 and 91-0105 were approved.

Resolution No. 91-0106 -- Authorizing the General Manager of Public Utilities to negotiate and execute a professional service agreement with ERM West, Inc. to provide professional engineering services to the City of San Francisco till June 30, 1992 at an amount not-to-exceed \$250,000.

Mr. Anson B. Moran, General Manager, Hetch Hetchy Water and Power, stated that these services were necessary in order to assist the City with on-going hearings held by the State Water Resources Control Board regarding the water quality of the San Francisco Bay/San Joaquin Delta.

Commissioner Flynn remarked on the fact that all contracts usually have a specific period of time in which to perform the necessary services with the phrase "not-to-exceed" a certain dollar amount. He admonished that staff be careful not to keep on extending the length of time on contracts, especially if it involves defunding capital improvements to fund certain contracts.

Commissioner Chin requested that staff determine the requirement for permanent, in-house expertise regarding water rights issues rather than continuing to rely on consultants and outside counsel.

On motion of Commissioner Toupin, seconded by Commissioner Flynn, Resolution No. 91-0106 was approved.

Item No. 9 -- Authorizing the General Manager of Public Utilities to enter into the Second Amendment to the Agreement with Grueneich, Ellison & Schneider, thereby increasing the funding level by \$300,000, for a total amount not-to-exceed \$594,000.

Mr. Moran stated that this Second Amendment to the Agreement with Grueneich, Ellison & Schneider was for the purpose of identifying on-going additional water supply needs and negotiating agreements for the purchase of additional water.

Commissioner Flynn inquired about the minority participation in this contract. Mr. Elzey replied that this was a women-owned firm.

Commissioner Toupin moved to approve Item No. 9. Commissioner Chin seconded. Commissioner Flynn voted against the motion. The motion failed for lack of a majority vote of the Commission.

THEREUPON THE MEETING WAS ADJOURNED: 9:39 A.M.

Romaine A. Boldridge
Secretary

MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos
Mayor

REGULAR MEETING

Room 282, City Hall

2:00 P.M.

April 9, 1991

COMMISSIONERS

Sherri Chiesa, President
Gordon Chin, Vice President
H. Welton Flynn
Arthur V. Toupin

DOCUMENTS DEPT.

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DEPARTMENTS

Hetch Hetchy Project
Municipal Railway
Water Department

BUREAUS

Energy Conservation
Engineering and
Construction Management
Financial Management
Information Systems
Management Efficiency and
Productivity
Personnel and Training

Thomas J. Elzey
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 2:20 P.M.

Present: President Sherri Chiesa, Vice President Gordon Chin,
Commissioner H. Welton Flynn, Commissioner Arthur V. Toupin

On motion of Chin, seconded by Flynn, the Minutes of the regular meeting of March 12, 1991 and the special meeting of March 29, 1991 were approved.

A tape of the meeting is on file in the Office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

By Common Consent, the following resolutions were adopted:

- | | | |
|---------|----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 91-0111 | GM | Expressing sincere appreciation to Rodel E. Rodis for his many contributions as a member of the Public Utilities Commission and for his dedicated service to the people of the City and County of San Francisco. |
| 91-0112 | GM | Expressing sincere appreciation to Edward M. Harrington for his service to the Public Utilities Commission as Assistant General Manager and Finance Director and extending congratulations and best wishes on his appointment as Controller of the City and County of San Francisco. |
| 91-0113 | GM | Expressing appreciation to Deborah Rohrer for her five (5) years of service as Manager of Claims and Contracts for the Public Utilities Commission and extending best wishes for continued success in her future endeavors. |
| 91-0114 | GM | Recognizing and extending sincere appreciation to the Transportation Division Managers, Municipal Railway, for their services to the City and County of San Francisco in furthering the Affirmative Action goals of the Public Utilities Commission. |
| 91-0115 | GM | Recognizing and extending sincere appreciation to the Maintenance Division Managers, Municipal Railway, for their services to the City and County of San Francisco in furthering the Affirmative Action goals of the Public Utilities Commission. |
| 91-0116 | GM | Recognizing and extending sincere appreciation to the San Francisco Water Department, for their contribution to the City and County of San Francisco and for their efforts and accomplishments in furthering the Affirmative Action goals of the Public Utilities Commission. |

RESOLUTION
NO.

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0117 MR Requesting the Controller to draw warrants in payment of claims against the Municipal Railway, totalling \$156,151.01.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0118 WD Declaring an emergency to construct a temporary connection between the State Water Project's South Bay Aqueduct and San Francisco Water Department facilities near Sunol to provide for additional purchase of water; approving a transfer of \$477,000 from Hetch Hetchy-Water Demand Study to Water Department-Construct Feeder Mains; and requesting the Board of Supervisors to approve the expenditure of \$487,000.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0119 WD Approving the plans and specifications as prepared and recommended by staff, and authorizing Bid Call for San Francisco Water Department Contract No. WD-2067, 8-Inch Ductile Iron Main Installation in Hayes Street between Buchanan Street and Larkin Street.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0120 MR Approving Contract Modification No. 1 for an amount of \$92,111 to San Francisco Municipal Railway Contract No. MR-869, Potrero Facility Rehabilitation, to the Contractor, N.L. Barnes Construction Co., Inc.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0121 EC Authorizing the Bureau of Energy Conservation to modify its contract with the California Environmental Internship Program to increase the contract by an amount not-to-exceed \$42,000 in order to maintain intern staff assistance on electricity conservation projects in municipal facilities.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

- 91-0122 EC Authorizing the Bureau of Energy Conservation to modify its existing contract with Brown, Vence & Associates for a sum not-to-exceed \$32,000 for the purpose of conducting electrical load forecasting analysis and assisting in implementation of near term load management measures for municipal operations.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

- 91-0123 GM Approving the temporary appointment made by the General Manager of Public Utilities of Michelle N. Witt as Assistant General Manager and Finance Director, PUC Finance Bureau; said temporary appointment to be effective March 19, 1991 and cease with the appointment of a permanent incumbent.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Chin, seconded by Flynn, the following resolution was adopted:

- 91-0124 MR Approving in concept the conversion of the 71-HAIGHT NORIEGA from diesel to trolley coach service; and authorizing the General Manager of the Municipal Railway to prepare grant applications and seek environmental clearance as necessary for the implementation of this project.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

- 91-0125 WD Authorizing the General Manager of the San Francisco Water Department to execute an agreement with Suburban Purchasers relative to asset classifications for rate purposes for Fiscal Years 1984/85 through 1989/90.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

- 91-0126 WD Requesting the Controller to transfer funds from the Water Department's salary savings in the amount of \$475,510 for the payment of the State Department of Health Services fee, additional property tax payments and additional Workers' Compensation claim payments for FY 1990/91.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0127 WD Consenting to an assignment of Lease by No. 1 NB Partners, a California limited partnership, as Assignor, to James C. Pusateri, Jr. and/or Barbara G. Pusateri, or their successor(s), Trustee(s), Assignee, for the remainder term of Lease, subject, but not limited, to the requirements that the Assignee assume all the covenants, conditions duties and obligations contained in Lease and that it comply with the surety bond and insurance requirements set forth in Lease of certain Water Department land in Milpitas, Santa Clara County located at 225 South Milpitas Blvd., Milpitas, CA.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0128 WD Requesting approval for the sale of an easement to the City of Milpitas for the installation and maintenance of a 24-inch sewer line adjacent to Bay Division Pipelines Nos. 3 and 4; and authorizing the Director of Property to proceed with the necessary preparation of legislation for adoption by the Board of Supervisors.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0129 HH Requesting the Mayor to recommend to the Board of Supervisors a supplemental appropriation in the amount of \$9,000,000 from Hetch Hetchy's unappropriated revenue, and to amend the operating budget for purchase of power during the remainder of Fiscal Year 1990/91.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0130 HH Authorizing the General Manager of Public Utilities to enter into the Second Amendment to the Agreement with Grueneich, Ellison & Schneider, thereby increasing the funding level by \$100,000, for a total amount not-to-exceed \$394,000.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0131 UEB Authorizing the Manager of Utilities Engineering Bureau to negotiate and execute an agreement with Consolidated Engineering Laboratories to provide testing laboratory and technical engineering services in an amount not-to-exceed \$100,000 for a term of one year.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0132 UEB Authorizing the Manager of Utilities Engineering Bureau to request qualification statements, interview, select and recommend a qualified consulting engineering firm to provide required engineering services for a period of twenty-four (24) months at a cost not-to-exceed \$350,000, of which \$100,000 will be allocated to Municipal Railway Engineering projects.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0133 MIS Authorizing the General Manager of Public Utilities to enter into a personal service contract extension with Carlton and Associates and E.H. White & Company for the purpose of further developing computerized maintenance systems for an amount not-to-exceed \$150,000 and a period of time not-to-exceed December 31, 1992.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0134 FM Adopting the 1991 Transit Legislative Program and directing the Public Utilities Commission staff and the City's advocates in Sacramento and Washington, D.C., to work towards implementing the program; and directing staff to incorporate local issues in its Transit Legislative Program to help meet the transportation needs of the City and County of San Francisco.

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

Report of the General Manager

Affirmative Action

Resolution No. 91-0114 -- Recognizing and extending sincere appreciation to the Transportation Division Managers, Municipal Railway, for their services to the City and County of San Francisco in furthering the Affirmative Action goals of the Public Utilities Commission.

Resolution No. 91-0115 -- Recognizing and extending sincere appreciation to the Maintenance Division Managers, Municipal Railway, for their services to the City and County of San Francisco in furthering the Affirmative Action goals of the Public Utilities Commission.

Resolution No. 91-0116 -- Recognizing and extending sincere appreciation to the San Francisco Water Department, for their contribution to the City and County of San Francisco and for their efforts and accomplishments in furthering the Affirmative Action goals of the Public Utilities Commission.

Ms. Andrea Gourdine, Manager, Bureau of Personnel and Training, stated that since the Affirmative Action Plan was adopted two year's ago, many Affirmative Action goals had been met by the various operating departments. Three resolutions were presented recognizing the Municipal Railway's Transportation and Maintenance Divisions and the Water Department for their outstanding achievements in the Affirmative Action Program. The Transportation Division had achieved and exceeded all their goals for minorities and women. In the Maintenance Division, they had reached their goals by achieving full parity in the skilled craft categories for all minorities. Also, the Water Department had achieved gains for every protective category, that is, all minorities and women.

By Common Consent, Resolution Nos. 91-0114, 91-0115, 91-0116 were approved.

Water Storage and Water Rationing Program

Mr. Thomas J. Elzey, General Manager, Public Utilities, stated that on April 1, 1991, water rationing at a 45% conservation level was implemented. Since that time, staff have been studying the water storage situation and analyzing the present snow pack. Also, water purchase agreements had been approved by the Commission with the State Water Bank and Placer County for the purchase and delivery of water to the San Francisco Water Department. The 45% rationing program has had a significant economic hardship on the San Francisco community and the Bay Area. Given those factors, Mr. Elzey stated that at the April 23, 1991 Commission meeting staff would be presenting a revised rationing program moving rationing back to 25% and maintaining some of the same water restrictions that were implemented with the current 45% rationing program. The package would also include a proposed process of rationing based on a per capita allocation should staff have to move back to a higher rationing plan above the 25% level.

Commissioner Toupin stated he would like to present the context in which he viewed the rationing program. He suggested that staff consider the possible consequences if we should be wrong by returning rationing to the 25% level. He stated that prior to the March rains, it was concluded that there was about 18 months of water

in storage for about two and a half million customers. At that time, staff was seriously concerned about whether or not there would be enough water this year and whether staff would be facing at the end of next year a situation where there would only be six months of water supply left. Commissioner Toupin expressed how important water is to the economy of this region and that it is part of the capital of what we do and remarked that monetary capital could be replaced by various means but water capital cannot be replaced.

Commissioner Chin said that he was glad to hear that staff was contemplating alternative measures to the rationing plan and that if we have to go back to a higher level of rationing, that the per capita system would be implemented.

Commissioner Flynn asked what impact this would have on the water rate structure.

Mr. Elzey replied that staff postponed calendaring the water rate package until the April 23, 1991 meeting. At that time, the water rate structure would be revised reflecting the 25% rationing level.

Resolution No. 91-0124 -- Approving in concept the conversion of the 71-HAIGHT NORIEGA from diesel to trolley coach service; and authorizing the General Manager of the Municipal Railway to prepare grant applications and seek environmental clearance as necessary for the implementation of this project.

Mr. Peter Straus, Director of Strategic Planning, Municipal Railway, requested that the Commission approve the conversion of the 71-HAIGHT NORIEGA from diesel motor coach service to electric trolley coach service. The electrification of the 71-HAIGHT NORIEGA is in support of the Public Utilities Commission, City Planning, and the Board of Supervisor's general policies supporting the electrification of the Municipal Railway's lines where feasible in terms of environment, energy conservation and economics. Mr. Straus highlighted three primary reasons for the electrification of the 71-HAIGHT NORIEGA line, which were: 1) that the line frequently operates every ten minutes; 2) that the line runs on a number of hills, primarily on Haight Street; and 3) that part of the existing route already was under overhead wires.

Mr. Straus stated that three public meetings were held during June, 1990. There were three major problems that the public addressed at these hearings. The first issue concerned the route that would be used for the terminal loop. Initially, staff recommended that the trolley coach line be constructed along Lower Great Highway. After much controversy, Mr. Straus said that staff was now recommending a loop via 46th Avenue, Ortega and 47th Avenue to a terminal at a boarding island on Noriega Street.

The second issue of concern was wheelchair accessibility. Originally, staff recommended non-accessible trolley coach service for a number of years before replacing them with accessible trolley coaches when service begins in 1995. Staff now is recommending that accessible articulated trolley coaches be assigned to the line initially when it begins operation in 1995.

The third issue concerned the mode of operation during peak hours which presently operates as a limited stop service. The staff recommendation is that the line operate as a local trolley coach only and that pre-empt signals be installed at several locations along the route.

Mr. Norman T. Larsen, representing the Haight-Ashbury Improvement Association, spoke in support of the conversion of the 71-HAIGHT NORIEGA.

Mr. Bruce Oka, representing the Elderly and Handicapped Advisory Committee, spoke in support of the electrification of the 71-line and that San Francisco continue to prosper in its reputation of the most accessible City for disabled individuals in terms of transportation.

Mr. Norman Rolfe, San Francisco Tomorrow, spoke in support of the electrification of the 71-line. He stated that proceeding with this project would be an opportunity to reduce air pollution and noise in San Francisco neighborhoods.

Mr. Jon Poschman, member of the San Francisco Bicycle Advisory Committee, remarked that there would be a reduction in pollution for bicyclists with the electrification of the 71-line.

Mr. John Holtzclaw, representing the Sierra Club, commented on how the electrification of the 71-line is a step forward in reducing air pollution and reducing energy consumption.

Mr. David Pilpel spoke in support of the electrification of the 71-line.

Ms. Betsy Foree commended the Municipal Railway and Mr. Peter Straus for addressing the concerns of the neighboring areas which was constructive and positive.

Mr. Ralph Henson concurred with Ms. Betsy Foree's comments.

Ms. Janis Walker was of the opinion that to electrify the 71-line and eliminate diesel service would be a mistake since the service would be dependent upon electric power and that San Francisco is an area where earthquakes occur.

On motion of Commissioner Chin, seconded by Commissioner Flynn, Resolution No. 91-0124 was approved.

Resolution No. 91-0130 -- Authorizing the General Manager of Public Utilities to enter into the Second Amendment to the Agreement with Grueneich, Ellison & Schneider, thereby increasing the funding level by \$100,000, for a total amount not-to-exceed \$394,000.

Commissioner Flynn made a motion to amend the proposed resolution to substitute \$100,000 for \$300,000 and that Grueneich, Ellison & Schneider obtain proper Human Rights Commission (HRC) certification within 60 days. At that time, the remaining \$200,000 would be considered for approval.

On motion of Commissioner Flynn, seconded by Commissioner Chin, Resolution No. 91-0130 was approved as amended.

Resolution No. 91-0134 -- Adopting the 1991 Transit Legislative Program and directing the Public Utilities Commission staff and the City's advocates in Sacramento and Washington, D.C., to work towards implementing the program; and directing staff to incorporate local issues in its Transit Legislative Program to help meet the transportation needs of the City and County of San Francisco.

Commissioner Toupin moved to to amend the resolution to include local laws and regulations as well as Federal and State in the 1991 Transit Legislative Program.

On motion of Commissioner Flynn, seconded by Commissioner Toupin, Resolution No. 91-0134 was approved as amended.

Public Comments

Mr. David Pilpel asked whether the Public Utilities Commission was preparing a current annual report. Mr. Elzey replied that staff was in the process of catching up reports covering previous years as well as preparing a current annual report.

Mr. Pilpel also inquired about the Water Department hearings held in December, 1990 concerning water supply issues in San Francisco. Mr. Elzey informed Mr. Pilpel that the water supply study had been completed and was transmitted to the Board of Supervisors and Public Utilities Commission.

THEREUPON THE MEETING WAS ADJOURNED: 3:32 P.M.

Romaine A. Boldridge
Secretary

MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos

Mayor

SPECIAL MEETING

Room 2C, City Hall

11:00 A.M.

April 17, 1991

COMMISSIONERS

Sherri Chiesa, President

Gordon Chin, Vice President

H. Welton Flynn

Arthur V. Toupin

DOCUMENTS DEPT.

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DEPARTMENTS

Hetch Hetchy Project

Municipal Railway

Water Department

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Engineering and
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Financial Management

Information Systems

Management Efficiency and
Productivity

Personnel and Training

Thomas J. Elzey

GENERAL MANAGER

Romaine A. Boldridge

SECRETARY

Call to Order: 11:11 A.M.

Present: President Sherri Chiesa, Vice President Gordon Chin,
Commissioner H. Welton Flynn, Commissioner Arthur V. Toupin

A tape of the meeting is on file in the Office of the Secretary of
the Public Utilities Commission.

RESOLUTION
NO.

On motion of Toupin, seconded by Flynn, the
following resolution was adopted:

91-0135 WD Requesting the Mayor to recommend to the Board of
Supervisors an emergency Water Department
supplemental appropriation in the amount of
\$20,965,000 for the purchase and transfer of water
from the California Drought Emergency Water Bank and
Placer County Water Agency.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

A copy of the above resolution is on file in the
office of the Secretary of the Public Utilities
Commission.

THEREUPON THE MEETING WAS ADJOURNED: 11:13 A.M.

Romaine A. Boldridge
Secretary

MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos

Mayor

REGULAR MEETING

Chambers of the Board of Supervisors, City Hall

2:00 P.M.

April 23, 1991

COMMISSIONERS

Sherri Chiesa, President

Gordon Chin, Vice President

H. Welton Flynn

Arthur V. Toupin

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DEPARTMENTS

Hetch Hetchy Project

Municipal Railway

Water Department

BUREAUS

Energy Conservation

Engineering and
Construction Management

Financial Management

Information Systems

Management Efficiency and
Productivity

Personnel and Training

Thomas J. Elzey

GENERAL MANAGER

Romaine A. Boldridge

SECRETARY

100 3 07173841

[Faint handwritten notes]

Call to Order: 2:15 P.M.

Present: President Sherri Chiesa, Vice President Gordon Chin,
Commissioner H. Welton Flynn, Commissioner Arthur V. Toupin

On motion of Toupin, seconded by Flynn, the Minutes of the regular meeting of April 9, 1991 and the special meeting of April 17, 1991 were approved.

A tape of the meeting is on file in the Office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Toupin, seconded by Chin, the following resolution was adopted:

91-0136 WD Adopting revisions to the Mandatory Water Conservation Program.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0137 WD Adopting a revised Schedule of Rates for San Francisco and suburban retail customers, including a base rate increase, drought surcharge and irrigation service rate schedule.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0138 WD Adopting a revised Schedule of Rates for suburban wholesale customers, including a base rate increase and drought surcharge.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0139 MR Adopting Modifications to the Schedule of Rates, Fares, and Charges of the San Francisco Municipal Railway relative to the introduction of a seven-day Passport which would allow unlimited travel on scheduled service, including cable cars.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0140 MR Requesting the Controller to draw warrants in payment of claims against the Municipal Railway, totalling \$141,500.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0141 FM Approving collection of charges for damages for the month of February, 1991 against the San Francisco Municipal Railway from miscellaneous debtors in the amount of \$48,999.25 and write-off compromise reductions for comparative negligence in the amount of \$8,083.54; and approving Bureau of Light, Heat & Power collections from miscellaneous debtors in the amount of \$5,704.51.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0142 FM Approving collection of charges for damages for the month of March, 1991 against the San Francisco Municipal Railway from miscellaneous debtors in the amount of \$19,844.87 and write-off compromise reductions for comparative negligence in the amount of \$1,771.77; approving San Francisco Water Department collections from miscellaneous debtors in the amount of \$2,291.53; and approving Bureau of Light, Heat & Power collections from miscellaneous debtors in the amount of \$6,173.67.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0143 WD Requesting the Mayor to recommend to the Board of Supervisors to approve the expenditure in the amount of \$500,000 from the Water Department's Main Replacement appropriation wn order to inspect and repair possible structural flaws in Bay Division Pipeline No. 4 in the City of Redwood City.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0144 WD Requesting the transfer of \$450,000 and approving the plans and specifications as prepared and recommended by staff, and authorizing Bid Call for San Francisco Water Department Contract No. WD-2009, Baden Pump Station - Improvements.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0145 WD Accepting the work performed under San Francisco Water Department Contract No. WD-2048, 8-Inch Ductile Iron Main Installation in Leavenworth Street between Pine Street and Pacific Avenue and Larkin Street between Pacific Avenue and Vallejo Street; approving Credit Contract Modification No. 1 in the amount of \$3,576; authorizing an extension of time for unavoidable delays of 14 working days; and authorizing final payment in the amount of \$14,198.70 to the Contractor, Interlane General Engineering and P & J Utility Company, AJV.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0146 WD Awarding San Francisco Water Department Contract No. WD-2081, in the amount of \$327,088 to Hevi-Duty Electric, Highway 117 South Goldsboro, NC.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0147 WD Awarding San Francisco Water Department Contract No. WD-2084, Purchase of Water Pumps and Motors for San Antonio Pump Station Project, in the amount of \$436,350 to Dresser Industries, Inc., Dresser Pump Division, San Ramon, CA.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0148 WD Awarding San Francisco Water Department Contract No. WD-2090, Purchase of Valves and Hydraulic System for San Antonio Pump Station Project, in the amount of \$139,505 to Henry Pratt Company, Pleasant Hill, CA.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0149 MR Awarding San Francisco Municipal Railway Contract No. MR-1020, Cable Car Barn - Furnish and Install Oil Separator, in the net amount of \$52,314.94 to San Luis Construction, San Francisco, CA.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

- 91-0150 MR Authorizing the General Manager of Public Utilities to execute an agreement with Transportation Displays, Inc. to manage the Municipal Railway's Transit Advertising Agreement for a period of five years, from July 1, 1991 through June 30, 1996; and commending the Transit Advertising Agreement to the Board of Supervisors and the Mayor for their consideration and approval.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

- 91-0151 MR Authorizing the circulation of a Request-for-Proposals to provide the Community Affairs Department of the Municipal Railway with Marketing, Advertising, and Creative Design Services.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

- 91-0152 MR Requesting the Board of Supervisors approval to contract for the provision of paratransit services for Fiscal Year 1991/92.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

- 91-0153 MR Authorizing the San Francisco Municipal Railway to extend the Booz, Allen and Hamilton, Inc. contract to December 31, 1991 to provide engineering services for the Light Rail Vehicle Purchase Project.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

- 91-0154 MR Authorizing the General Manager of Public Utilities to execute Modification No. 2 to the personal services contract with George Pattee; extending the duration of the contract through December 31, 1991; and increasing the maximum expenditure to \$112,000 for additional work to be performed in the rehabilitation of Market Street Railway Streetcar #798 at Deuel Vocational Institute in Tracy, CA.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0155 WD Approving a fund transfer of \$310,000 from the Water Department's Project 605, Defining Right-of-Way and Property Lines to Project 125 Pleasanton Property Development.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0156 WD Approving a contract amendment with the Planning Collaborative in the amount of \$240,000 to complete the Specific Plan work for the Water Department's lands in Pleasanton, CA.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0157 HH Authorizing Hetch Hetchy Water and Power to apply for, accept, and expend an energy conservation loan from the California Energy Commission, not-to-exceed \$1.3 million to implement energy efficiency measures.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0158 HH Authorizing the General Manager of Public Utilities to enter into the Second Amendment to the Agreement with Grueneich, Ellison & Schneider, thereby increasing the funding level by \$200,000, for a total amount not-to-exceed \$594,000.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0159 UEB Authorizing the Manager of Utilities Engineering Bureau to execute Amendment No. 2 with Manna Consultants, Inc. for engineering design related to the rehabilitation of the MUNI Potrero Division Facility to provide professional services during the construction phase.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0160 UEB Awarding San Francisco Water Department Contract No. WD-2062, San Antonio Pump Station Improvements, in the amount of \$1,792,000 to Power Engineering Contractors, Inc., Palo Alto, CA.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0161 UEB Authorizing the Manager of Utilities Engineering Bureau to execute Amendment No. 6 with Camp Dresser and McKee, Inc., for construction support for expansion of San Andreas Water Treatment Plant, in the amount not-to-exceed \$1,707,826 and extending the contract completion date until August 30, 1993.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

New Business

Commissioner Flynn requested that staff respond to the letter of April 18, 1991 regarding the rerouting of the 42 line. He stated that he wanted staff to report back to the Commission on whether or not the allegations made in the letter were correct, since the letter indicated many offices would be without bus service if the 42 line were moved to a new area.

Report of the General Manager

1991/92 Budget

Mr. Thomas J. Elzey, General Manager, Public Utilities, stated that staff had discussed 5% and 10% reductions in the 1991/92 budget with the Mayor's Office. Primarily, the discussions centered around reducing the Municipal Railway's General Fund support by 5% and 10%. Potential reductions would be in the areas of fuel, administrative staffing, PUC services and engineering and labor expenses. Discussions were being engaged in at staff level regarding the issue of possibly increasing the price of the Fast Pass and reviewing Muni service.

Mr. Elzey stated that the Mayor's Office was in the process of examining the 1991/92 budget for the Water Department and Hetch Hetchy Water & Power and said that they would not be subject to the 5% and 10% budget reductions, but that there would be certain changes the two departments would have to make. Since staff was still in discussions with the Mayor's Office regarding the 1991/92 budget, Mr. Elzey stated he was not in a position to give the Commission any specifics on which to act but that he would keep them informed of further developments and take whatever steps were necessary to bring the budget in line with the Mayor's Office requirements.

Public Hearing

Resolution No. 91-0136 -- Adopting revisions to the Mandatory Water Conservation Program.

Mr. Anson B. Moran, General Manager, Hetch Hetchy Water & Power, gave a presentation with the use of charts on the current water supply. He stated that during March, precipitation was in excess of 15" but that most of that precipitation was still in the form of snow. Since the beginning of April, water storage was about at the same level as it had been in 1988. Mr. Moran said that with the current water supply in storage, expected runoff from snow and water transfers, that by July 1, 1991 the water supply situation would be the same as last year, which would allow staff to recommend returning to the 25% rationing program.

Mr. John P. Mullane, General Manager, Water Department, explained the changes that he was proposing to the current rationing plan. He stated that due to the current water in storage, staff was recommending that the rationing program return to the 25% rationing level. This would reduce system-wide demand by 25% compared to 1987 water use which would be based on a 10% reduction on inside water use and a 60% reduction on outside water use. Customers who do not have a 1987 consumption history or who have new accounts would have an allocation based on a per capita basis. Mr. Mullane stated that the water use restrictions implemented with the original 25% rationing program would remain the same but that additional water restrictions that were in force with the 45% rationing program would remain. These additional water restrictions would: 1) stipulate that determined water waste would serve as evidence that the customer's allotment was too high and would be subject to review and possible termination of service; 2) that water use for cooling and commercial operations must be recycled; and 3) that groundwater and/or reclaimed water be used for the irrigation of golf courses, median strips and street sweepers. Excess use charges would remain exactly the same. The suburban resale customers would receive an annual allocation of water based on the same inside/outside formula used for San Francisco customers.

Mr. Mullane stated that should this plan be approved, allocations would become retroactive to April 1, 1991 and that written notification of new allocations would be sent to all customers by May 15, 1991. Mr. Mullane also said that staff would be looking at the per capita methodology as a more equitable means of rationing water for San Francisco residents. Unfortunately, this could not be implemented at this time because there is no database for such a program.

President Chiesa invited public comments.

Mr. James Beard, President, Bay Area Water Users Association, spoke in support of the San Francisco Water Department's decision to return to the allocations which were in effect since March of 1990. He stated that the Bay Area Water Users Association was committed to aggressive conservation but had several ideas on how the San Francisco Water Department's regional water supply system could be made more secure. A copy of Mr. Beard's statement is on file with the minutes of this meeting.

Mr. Harold Wright commented on the rationing program related to excess use charges and whether a flow restrictor device should be implemented in a customer's line.

Mr. Myron Tatarian was of the opinion that a water bank system be set up for customers who do not use their total allotment of water and strongly urged the Commission to seriously consider his proposal.

Mr. Douglass J. Engmann, President, Sage Clearing, suggested that the San Francisco Water Department trade unused water allotments on the market place. He stated that the Water Department could issue water savings coupons for every water user who is below his water allotment and allow those coupons to be sold to residents or businesses who have a need to use water over their allotment.

Mr. Bob Begley, Executive Director, Hotel Council of San Francisco, stated that his organization represents all the major hotels in San Francisco and that it was very difficult to regulate how much water hotel guest's use. He spoke in support of the 25% rationing plan and said that it would make things much easier for the hotel industry during the drought.

Mr. John Barber, representing Liberty-Hill Neighborhood Association, appealed to the Commission to normalize the water supply and also to obtain an emergency supply of water if the drought continues.

Commissioner Chin asked for a report regarding the per capita system within 30 days. The issues he wanted addressed were: 1) how would the system work; 2) what help could staff get from other city departments; 3) what was the experience of other districts who had the per capita system in place; and 4) what would be the administrative costs to implement the per capita system?

On motion of Commissioner Toupin, seconded by Commissioner Chin, Resolution No. 91-0136 was approved.

Public Hearing

Resolution No. 91-0137 -- Adopting a revised Schedule of Rates for San Francisco and suburban retail customers, including a base rate increase, drought surcharge and irrigation service rate schedule.

Resolution No. 91-0138 -- Adopting a revised Schedule of Rates for suburban wholesale customers, including a base rate increase and drought surcharge.

Mr. Mullane explained that the proposed base rate increase would be 14% both to City and suburban retail customers, which would equate to a 9.1% increase. This 14% increase would cover on-going operating costs in the 1991/92 budget. In addition to the base rate increase, there would be a water purchase surcharge of \$.18 that would be charged for all water delivered, which represents a 27% increase over the base rate of \$.669. This charge is required because of the costs associated with the purchase of water from the State Water Drought Emergency Bank and Placer County.

The proposed rate package for Suburban Wholesale customers would increase from a 52.4¢ per unit to 73¢ per unit, representing a 39.7% rate increase above the current rates for 1990/91. Their unit charge would increase from \$228.25 per acre foot to \$317.99 per acre foot.

President Chiesa invited public comments. There were none.

On motion of Commissioner Flynn, seconded by Commissioner Toupin, Resolution Nos. 91-0137 and 91-0138 were approved.

Public Hearing

Resolution No. 91-0139 -- Adopting Modifications to the Schedule of Rates, Fares, and Charges of the San Francisco Municipal Railway relative to the introduction of a seven-day Passport which would allow unlimited travel on scheduled service, including cable cars.

Mr. Johnny B. Stein, General Manager, Municipal Railway, stated that since June 1989, the Municipal Railway had offered one-day and three-day Passports for use by city visitors. Through January 1990, 150,000 Passports have been sold. At the request of Supervisor Willie B. Kennedy, the department investigated the feasibility of establishing a seven-day Passport. This Passport would allow unlimited travel on scheduled service, including cable cars, priced at \$15.00.

President Chiesa invited public comments. There were none.

On motion of Commissioner Flynn, seconded by Commissioner Toupin, Resolution No. 91-0139 was approved.

Resolution No. 91-0150 -- Authorizing the General Manager of Public Utilities to execute an agreement with Transportation Displays, Inc. to manage the Municipal Railway's Transit Advertising Agreement for a period of five years, from July 1, 1991 through June 30, 1996; and Commending the Transit Advertising Agreement to the Board of Supervisors and the Mayor for their consideration and approval.

Mr. Stein stated that under the terms of this new agreement, tobacco and alcohol advertising would be excluded on Muni vehicles. There would be a minimum effect on the revenue received from this advertising agreement.

Mr. Jaimie B. Levin, Community Affairs, Municipal Railway, explained that following the Commission's approval in January 1991 to circulate a Request-For-Proposals (RFP) for the Municipal Railway's Transit Advertising Agreement for 1991-1996, over thirty RFP's were sent to various companies. A pre-proposal conference was held in which representatives from ten companies attended. He stated that Transportation Displays, Inc. (TDI) was the only company that submitted a proposal. The RFP Selection Committee took TDI's proposal through the regular process, and unanimously approved recommending TDI to manage Muni's Transit Advertising Agreement over the next five years.

Commissioner Toupin asked if staff had reached an independent conclusion about the economic viability of TDI.

Mr. Levin replied that the Bureau of Finance reviewed TDI's auditing reports and that the Selection Committee as a group represented the professions of banking and finance.

On motion of Commissioner Toupin, seconded by Commissioner Flynn, Resolution No. 91-0150 was approved.

Resolution No. 91-0154 -- Authorizing the General Manager of Public Utilities to execute Modification No. 2 to the personal services contract with George Pattee; extending the duration of the contract through December 31, 1991; and increasing the maximum expenditure to \$112,000 for additional work to be performed in the rehabilitation of Market Street Railway Streetcar #798 at Deuel Vocational Institute in Tracy, CA.

Mr. Bruce Bernhard, Director of Statagic Planning, Municipal Railway, requested that this personal services contract with George Pattee be extended to perform additional work on the rehabilitation of Market Street Railway Streetcar #798 at the Deuel Vocational Institute. At the January 22, 1991 Commission meeting, the Commission asked that there be certain guarantees about completion of the project. Staff had investigated whether Mr. Pattee could be bonded to guarantee completion of the work, but it was concluded this would not be feasible since he does not have control over the supply of inmate labor. Mr. Bernhard said that staff had discussed the work plan with Market Street Railway (MSR), a private non-profit support group which has already done a considerable amount of work for the Municipal Railway. Market Street Railway agreed that if the work is not completed by Deuel Institute, they would complete the work on the streetcar.

Mr. David Pharr, representing Market Street Railway, stated that MSR reviewed the project with the Municipal Railway and had agreed that if the work was not completed by Deuel Institute they would guarantee to perform the work at no additional cost to the City.

On motion of Commissioner Toupin, seconded by Commissioner Flynn, Resolution No. 91-0154 was approved.

Resolution No. 91-0155 -- Approving a fund transfer of \$310,000 from the Water Department's Project 605, Defining Right-of-Way and Property Lines to Project 125 Pleasanton Property Development.

Resolution No. 91-0156 -- Approving a contract amendment with the Planning Collaborative in the amount of \$240,000 to complete the Specific Plan work for the Water Department's lands in Pleasanton, CA.

Mr. Douglas Wright, Deputy Mayor, Transportation and Public Works, stated that at the November 27, 1990 meeting the Commission was provided with a summary of the Specific Plan for undertaking a community development process for the San Francisco Water Department's lands in Pleasanton. He explained that further funds were needed to complete the Specific Plan work and move ahead with the planning process before staff could pursue a long-term agreement with a developer. Mr. Wright mentioned that staff was not asking for approval at this time to go through the selection process of seeking a developer for the Water Department property in Pleasanton.

Commissioner Chin requested that the Commission be given a briefing of the project before going through the next phase of selecting a developer. Some of his concerns addressed policy issues related to land lease concepts, from master developer to joint ventures, equity and partner issues.

Mr. Elzey stated that he would draft a letter to Mr. Wright outlining the various concerns of the Commission.

On motion of Commissioner Flynn, seconded by Commissioner Chin, Resolution Nos. 91-0155 and 91-0156 were approved.

Resolution No. 91-0160 -- Awarding San Francisco Water Department Contract No. WD-2062, San Antonio Pump Station Improvements, in the amount of \$1,792,000 to Power Engineering Contractors, Inc., Palo Alto, CA.

Mr. Richard E. Brandt, Manager, Utilities Engineering Bureau, stated that on March 19, 1991 bids were received for Contract No. WD-2062, San Antonio Pump Station Improvements. The contract was awarded to Power Engineering Contractors, Inc. Mr. Brandt said that Echo West, Inc. protested award of the contract to Power Engineering Contractors, Inc. because of failure to sign and complete Human Rights Commission (HRC) Form 2.

Mr. George Krueger, General Counsel, Public Utilities, remarked that the HRC Form 2 was completed and submitted but was not executed because Power Engineering Contractors, Inc. was not requesting a bid preference.

Mr. Ron Brazell, representing Echo West Inc., requested that the Commission not award the contract to Power Engineering Contractors, Inc. Mr. Brazell was of the opinion that the bid documents require, whether or not a bid preference is claimed, that all bidders must submit and sign HRC Form 2 with their bid which Power Engineering, Inc. failed to do.

Mr. Daniel E. Collins, Deputy City Attorney, stated that the HRC Form 2 only required a signature if the contractor was claiming a bid preference. They did not claim a bid preference, therefore, they did not sign HRC Form 2 as it was ineligible to claim a MBE/WBE/LBE bid preference since they were not a local firm. Mr. Collins said that Power Engineering, Inc. was in full compliance with all the requirements set forth in the proposal.

On motion of Commissioner Flynn, seconded by Commissioner Toupin, Resolution No. 91-0160 was approved.

Public Comments

Mr. David Pilpel urged the Commission not to cut any Muni service as a result of the 10% reduction in the Municipal Railway's 1991/92 budget.

THEREUPON THE MEETING WAS ADJOURNED: 4:10 P.M.

Romaine A. Boldridge
Secretary

91
MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos

Mayor

REGULAR MEETING

Room 282, City Hall

2:00 P.M.

May 14, 1991

COMMISSIONERS

Sherri Chiesa, President

Gordon Chin, Vice President

H. Welton Flynn

Arthur V. Toupin

DOCUMENTS DEPT.

MAY 28 1991

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DEPARTMENTS

Hetch Hetchy Project

Municipal Railway

Water Department

BUREAUS

Energy Conservation

Engineering and
Construction Management

Financial Management

Information Systems

Management Efficiency and
Productivity

Personnel and Training

Thomas J. Elzey

GENERAL MANAGER

Romaine A. Boldridge

SECRETARY

Call to Order: 2:13 P.M.

Present: President Sherri Chiesa, Vice President Gordon Chin,
Commissioner H. Welton Flynn, Commissioner Arthur V. Toupin

On motion of Toupin, seconded by Chin, the Minutes of the regular meeting of April 23, 1991 were approved.

A tape of the meeting is on file in the Office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0162 MR Requesting the Controller to draw warrants in payment of claims against the Municipal Railway, totalling \$69,500.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0163 FM Approving collection of charges for damages for the month of April, 1991 against the San Francisco Municipal Railway from miscellaneous debtors in the amount of \$22,448.40 and write-off compromise reductions for comparative negligence in the amount of \$1,221.36; approving San Francisco Water Department collections from miscellaneous debtors in the amount of \$405.55; and approving Bureau of Light, Heat & Power collections from miscellaneous debtors in the amount of \$4,051.08.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0164 MR Amending Resolution No. 91-0117 by changing the settlement amount from \$156,151.01 to \$135,000.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0165 WD Accepting the work performed under San Francisco Water Department Contract No. WD-2032, 8-Inch Ductile Iron Main Installation in Sacramento Street between Locust and Divisadero Streets, approving Credit Contract Modification No. 1 in the amount of \$5,111.60; authorizing an extension of time for unavoidable delays of 17 working days; and authorizing final payment in the amount of \$17,239.70 to the Contractor, Ranger Pipelines, Inc.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0166 WD Accepting the work performed under San Francisco Water Department Contract No. WD-2049, 8-Inch Ductile Iron Main Installation in Octavia Street between Market and Fulton Streets; approving Debit Contract Modification No. 1 in the amount of \$5,955; and authorizing final payment in the amount of \$10,564.75 to the Contractor, Uniacke Construction, Inc.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0167 WD Accepting the work performed under San Francisco Water Department Contract No. WD-2051, 8-Inch Ductile Iron Main Installation in Dartmouth Street, Woolsey to Mansell Street, Colby Street, Olmstead to Mansell Street, and Olmstead Street, University to Bowdoin Street; approving Credit Contract Modification No. 1 in the amount of \$1,968; authorizing an extension of time for unavoidable delay of 8 working days; and authorizing final payment in the amount of \$12,203.50 to the Contractor, P & M Pipelines.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0168 WD Authorizing and approving the substitution of subcontractor, Rosendin Electric for Palmer Electric, to perform the electric work under San Francisco Water Department Contract No. WD-2060, San Andreas Water Treatment Plant Expansion No. 2.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0169 WD Awarding San Francisco Water Department Contract No. WD-2083, Purchase of Outdoor Power Control Centers for San Antonio Pump Station Project, in the amount of \$321,871 to Controlled Power Corporation, Masillon, Ohio.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0170 WD Awarding San Francisco Water Department Contract No. WD-2088, Repaving of Street and Sidewalk Openings in the amount of \$1,341,655 to Stacy and Witbeck, Inc., Nationwide Construction Company, Inc. and West Bay Nationwide Construction, Company, San Francisco, CA.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Flynn, seconded by Chin, the following resolution was adopted:

- 91-0171 WD Authorizing the Manager of the Utilities Engineering Bureau to execute Contract Modification No. 2 with Spiniello Construction Company to increase the contract amount by \$180,000 to repair cracks and other defects in San Joaquin Pipeline No. 2; and authorizing the transfer of \$350,000 from the Mountain Tunnel Emergency Repairs Project to the San Joaquin Pipeline No. 2 Project.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

- 91-0172 HH Accepting the work performed under San Francisco Hetch Hetchy Water & Power Contract No. HH-817R, O'Shaughnessy Dam Leach Field; approving Credit Contract Modification No. 1 in the amount of \$1,573.81; and authorizing final payment in the amount of \$19,849.64 to the Contractor, K. W. Emerson, Inc.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

- 91-0173 HH Awarding San Francisco Hetch Hetchy Water & Power Contract No. HH-827, Moccasin Afterbay Improvements, in the amount of \$179,500 to Cunningham and Sons, Inc., Oakdale, CA.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

- 91-0174 HH Approving the plans and specifications as prepared and recommended by staff, and authorizing Bid Call for San Francisco Hetch Hetchy Water & Power Contract No. HH-829, O'Shaughnessy Dam Septic System Rehabilitation.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

- 91-0175 MR Awarding San Francisco Municipal Railway Contract No. MR-891, Muni Metro Turnaround Test Slurry Wall Construction, in the amount of \$383,700 to Case International Company, Roselle, Illinois for testing, investigation and evaluation services.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0176 MR Awarding San Francisco Municipal Railway Contract No. MR-999, Curtis E. Green Light Rail Facility, Main Maintenance Building-Modification to LRV Lifts, in the amount of \$562,300 to Power Engineering Contractors, Inc., Palo Alto, CA.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0177 MR Approving Debit Contract Modification No. 3 for an amount of \$360,000 to San Francisco Municipal Railway Contract No. MR-1005, Cable Car System - Furnish and Install Replacements for Depression Beams; approving extension of time of 90 calendar days; and approving an extension of time of 145 calendar days to the contract term in order to accomplish additional work.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0178 MR Approving Debit Contract Modification No. 1 for an amount of \$38,000 to San Francisco Municipal Railway Contract No. MR-1013, Presidio Yard Bus Washer Replacement and approving an extension of time of 60 calendar days to the contract term in order to accomplish additional work.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0179 MR Authorizing the San Francisco Municipal Railway to award MR-1038 to Stacy and Witbeck, Inc., and Nationwide Construction Company, Inc., AJV, for an amount not-to-exceed \$875,000 for the construction of the Muni Metro System Castro No. 10 Crossover.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0180 MR Designating Monday, June 17, 1991, at 7:00 p.m. at the Southeast Community Facility, 1800 Oakdale Avenue, Community Meeting Room; and Tuesday, June 18, 1991, at 7:00 p.m. at Municipal Railway's Presidio facility, 2640 Geary Blvd., as the dates, times and places for a public hearing for considering possible increases to the cost of the Muni Adult Fast Pass and the cost of Special Events Service.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0181 PM Approving the Non-Civil Service and Temporary appointments and removals as indicated on the Temporary Employment Activity Roster, for the month of March, 1991.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0182 GM Authorizing the President of the Public Utilities Commission to transmit a letter to the Joint Powers Board confirming the Commission's continued support for the Joint Powers Board's intentions with respect to Caltrain right-of-way acquisition and sustaining operations.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0183 WD Requesting the Mayor to recommend to the Board of Supervisors a supplemental appropriation in the amount of \$47,925,000 from the proceeds of the sale of the San Francisco Water Revenue Bonds, 1991 Series A.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Toupin, seconded by Chin, the following resolution was adopted:

91-0184 WD Authorizing the General Manager of Public Utilities to enter into an agreement with the California Department of Water Resources for the installation of an energy dissipator to provide for an increased capacity in the transfer of water from the State Drought Emergency Water Bank into San Francisco's San Antonio Reservoir.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0185 WD Consenting to an assignment of Lease by United Bank, F.S.B., a California Corporation, as Assignor, to Sierra Enterprises, Inc., a California Corporation, as Assignee, for the remainder term of Lease, subject, but not limited, to the requirements that the Assignee assume all the covenants, conditions duties and obligations contained in Lease and that it comply with the surety bond and insurance requirements set forth in Lease of certain Water Department land located adjacent to 1155 Junipero Serra Blvd. in the City and County of San Francisco.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0186 WD Authorizing execution of a Third Supplemental Agreement in Modification of Lease to Garden Chapel, Inc., of Water Department property located at 885 El Camino Real, South San Francisco, CA, extending the term for an additional ten (10) year period commencing September 1, 1990 and ending August 31, 2000, increasing the rental to Five Thousand Six Hundred Forty Dollars (\$5,640) per annum, amending insurance provisions and increasing surety bond to \$25,000, subject to the same terms and conditions; and approving all terms and conditions of the May 10, 1960 Lease as amended.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0187 UEB Awarding San Francisco Water Department Contract No. WD-2037R, Calaveras Pipeline Replacement and Outlet Facilities Modifications in the amount of \$15,190,000 to Stacy and Witbeck, Inc., San Francisco, CA.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0188 UEB Awarding San Francisco Municipal Railway Contract No. MR-890, Purchase of Steel Girder Rail for Waterfront and Market Street Projects, in the amount of \$2,327,865 to Wirth Incorporated, Montreal, Quebec, Canada.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0189 UEB Authorizing the Manager of the Utilities Engineering Bureau to execute a professional services agreement with Parsons, Brinckerhoff, Quade and Douglas, Inc. for conceptual engineering phase services for the Muni Metro East Facility and Access Track Project for an amount not-to-exceed \$1,830,866.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0190 FM Authorizing the General Manager of Public Utilities to execute a permit to use property at Pier 30 - 32 at the Port of San Francisco for the Municipal Railway Annual Bus Rodeo.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0191 FM Authorizing the Director of Finance to apply for, accept, and expend up to \$3.2 million of Bridge Toll funds for San Francisco Municipal Railway Improvement Corporation (SFMRIC) lease payments and \$59.5 million of regional funds such as Urban Mass Transportation Administration Section 8 and Section 9 operating revenues, Transportation Development Act (TDA) Articles 4, 8, and 4.5, State Transit Assistance Revenue-Based funds, and AB 1107 half-cent sales tax revenues for 1991/92 Municipal Railway operations and capital improvements, and \$1.6 million of BART District funds for reimbursement of "feeder" trips made on Muni to and from BART stations in San Francisco.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0192 BMIS Authorizing the General Manager of Public Utilities to enter into a personal services contract modification with R.C. Research, Inc. for an amount not-to-exceed \$25,000 and a period of time not-to-exceed June 30, 1992 for additional services related to the mandatory water rationing program.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

Resolution No. 91-0182 -- Authorizing the President of the Public Utilities Commission to transmit a letter to the Joint Powers Board confirming the Commission's continued support for the Joint Powers Board's intentions with respect to Caltrain right-of-way acquisition and sustaining operations.

Mr. Douglas Wright, Deputy Mayor, Transportation and Public Works, stated that the intent of the Joint Powers Board (JPB), which is made up of Santa Clara, San Mateo, and San Francisco Counties, is to secure funding for the acquisition of the Caltrain right-of-way between the City of Gilroy and the City and County of San Francisco. The bulk of the financing for the right-of-way acquisition was to come from State Proposition 116 bond sales, but due to the budgetary problems the State of California is facing there was some question as to the availability of full funding from Proposition 116 (Clean Air and Transportation Improvement Act of 1990). Mr. Wright said that the State Transportation Commission noted that one of the problems with the JPB financing package was the uncertainty of local financial commitment to the acquisition of the Peninsula Commute right-of-way and that the State Transportation Commission would like some indication of policy intent from the three member counties as to each support for the right-of-way acquisition. He stated that the letter to the JPB does nothing more

than indicate the Commission's willingness to explore and proceed with a financing package that would reflect support for trying to acquire the Peninsula Commute right-of-way. He explained that the San Francisco Water Department had been managing a right-of-way acquired by the Municipal Railway of approximately 8 plus miles in length which had previously been used for transportation purposes and is being preserved for future transportation use. A possible use which has come to the forefront is the prospective extension of BART from the vicinity of the Colma/Daly City turnback to the vicinity of the Airport. The proposition which staff would like to explore in the future would be that this right-of-way would be conveyed to San Mateo County in fee. San Mateo County would make a direct cash investment in the Peninsula Commute right-of-way to the extent of the value of our participation required in that acquisition. Mr. Wright indicated that the Public Utilities Commission would receive fair market value for the conveyance of the right-of-way if such a financing package could be put together.

Commissioner Chin inquired about Proposition 116 in relation to the State budget crisis and asked whether the State had issued any of Proposition 116 bonds.

Mr. Wright replied that the hope had been that approximately \$173 million would be available for the JPB's acquisition of the Peninsula Commute right-of-way but given the deficits and problems in financing the bonds there was reluctance on the part of the State to issue the full amount of the bonds in Proposition 116. The State indicated that any issuance of Proposition 116 bonds would be limited not only by budget considerations but be targeted to projects which were capital or labor intensive in order to have a positive impact on California's economy. The State is asking for certain evidences to be provided which would show the JPB's commitment of local will and local resources for the acquisition of the Peninsula Commute right-of-way.

Commissioner Chin also asked whether there would be an independent appraisal process of what the right-of-way was worth and whether the appraisal process would be agreed upon by all three counties.

Mr. Wright responded that the right-of-way would be subject to an independent appraisal process for all three counties and that all options would be looked at before establishing a market value for the property.

Mr. Norman Rolfe, San Francisco Tomorrow, urged the Commission to expedite the obtaining of this right-of-way by public agencies because it was an important regional transit facility which had the capability of serving San Francisco as well as the Peninsula.

On motion of Commissioner Chin, seconded by Commissioner Toupin, Resolution Nos. 91-0182 was approved.

Item No. 17 -- Presentation on the 1991/92 Budget.

Ms. Michelle N. Witt, Acting Finance Director, Bureau of Finance, gave an update on the status of the 1991/92 budget. She stated that in January 1991, the Commission approved the 1991/92 baseline budgets and budget change proposals for the operating departments and the bureaus. In February, the budget was submitted to the Mayor's Office and in March the Mayor's Office requested that departments identify ways to achieve 5% and 10% reductions in the 1991/92 baseline budgets. Ms. Witt highlighted some of the significant changes the Mayor was considering for the Water Department, Hetch Hetchy Water & Power, and the Municipal Railway.

She said that the Mayor's Office was proposing to reduce the Water Department's equipment baseline budget by \$300,000 which represents a City-wide policy not to approve the purchase of new vehicles for 1991/92. Also, another significant reduction under consideration by the Mayor was not to approve the proposal for the Water Department's water conservation program.

Mr. John P. Mullane, General Manager, San Francisco Water Department, stated that the two significant items the Mayor identified to be cut were the rebate program for ultra low flush toilets and the retrofit program for residential customers. The Mayor's rationale regarding the retrofit program was twofold: 1) that there was pending legislation at the Board of Supervisors that would require residential homes to be retrofitted within a three-year period, irrespective of any program the Water Department would have; and 2) that it was not the Water Department's responsibility to spend funds on someone else's property.

Commissioner Chin remarked that he hoped staff would not lose sight of the importance of planning and looking at all possible ideas to encourage the private sector to participate in water conservation.

Regarding the Hetch Hetchy budget, Ms. Witt said that the Mayor recommended against the department performing a study to consider purchasing streetlights, which are currently owned and maintained by PG&E. Ms. Witt said that the Mayor's Office was also reducing all entertainment budgets for all departments to zero.

Ms. Witt stated that the Municipal Railway's contribution to the General Fund deficit was a combination of revenue enhancements and expenditure reductions. The Mayor recommended increasing the Fast Pass from \$28 to \$32. Budget reductions would include: 1) lower fuel price assumptions for all City departments; 2) reducing claims costs by \$500,000; 3) reducing the PUC Bureau's budgets by \$686,000; and 4) reducing Municipal Railway administrative staff by 18 positions, of which 12 positions are currently filled.

Mr. David Pilpel was of the opinion that staff should consider reorganization of the PUC staff as a whole and not just look at cutting administrative positions within the Municipal Railway. He also was of the opinion that the Commission not only look at increasing the Fast Pass fare but that they consider increasing the senior fare and other fares as well.

Public Comments

Mr. David Pilpel suggested that instead of shutting down and substituting buses on the K, L, M lines, that service be rerouted via 17th Street during the Castro Crossover Project. He also suggested that tokens be reintroduced if there were any changes in Muni fares.

The meeting was recessed at 3:22 P.M. to meet in Executive Session on Item No. 14.

The meeting was reconvened at 3:38 P.M.

Resolution No. 91-0187 -- Awarding San Francisco Water Department Contract No. WD-2037R, Calaveras Pipeline Replacement and Outlet Facilities Modifications in the amount of \$15,190,000 to Stacy and Witbeck, Inc., San Francisco, CA.

On motion of Commissioner Flynn, seconded by Commissioner Chin, Resolution No. 91-0187 was approved.

THEREUPON THE MEETING WAS ADJOURNED: 3:39 P.M.

Romaine A. Boldridge
Secretary

MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos
Mayor

REGULAR MEETING

Room 282, City Hall

2:00 P.M.

May 28, 1991

COMMISSIONERS

Sherri Chiesa, President
Gordon Chin, Vice President
H. Welton Flynn
Arthur V. Toupin

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JUN 17 1991

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DEPARTMENTS

Hetch Hetchy Project
Municipal Railway
Water Department

BUREAUS

Energy Conservation
Engineering and
Construction Management
Financial Management
Information Systems
Management Efficiency and
Productivity
Personnel and Training

Thomas J. Elzey
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 2:30 P.M.

Present: President Sherri Chiesa, Vice President Gordon Chin,
Commissioner H. Welton Flynn

Excused: Commissioner Arthur V. Toupin

On motion of Flynn, seconded by Chin, the Minutes of the regular meeting of May 14, 1991 were approved.

A tape of the meeting is on file in the Office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Chin, seconded by Flynn, the following resolution was adopted in Executive Session:

91-0193 GM Approving the permanent appointment made by the General Manager of Public Utilities of Richard E. Brandt as Manager, Utilities Engineering Bureau, to be effective immediately.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0194 MR Requesting the Controller to draw warrants in payment of claims against the Municipal Railway, totalling \$19,612.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0195 WD Approving the plans and specifications as prepared and recommended by staff, and authorizing Bid Call for San Francisco Water Department Contract No. WD-2065, 12-Inch Ductile Iron Main Installation in Lombard, Powell, Union and Stockton Streets from Jones to Green Streets.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0196 WD Approving the plans and specifications as prepared and recommended by staff, and authorizing Bid Call for San Francisco Water Department Contract No. WD-2095, Pilarcitos Forebay-Repair Walkway and Sluice Gates.

VOTE: Ayes - Chiesa, Chin, Flynn

RESOLUTION
NO.

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0197 WD Requesting the transfer of \$450,000 from Fund Group 32-868, 1972 Water System Bond Fund Project No. 112-01 Crystal Springs Pipeline No. 1 to Project No. 161-01 Baden Pump Station Improvements.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0198 HH Approving the plans and specifications as prepared and recommended by staff, and authorizing Bid Call for San Francisco Hetch Hetchy Water & Power Contract No. HH-831, Moccasin Powerhouse Interior Repair and Painting.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0199 BLHP Authorizing the Bureau of Light, Heat and Power to execute Modification No. 2 to the July 1, 1990 agreement with Kingston-Cresci, AJV; increasing the limit of payment from \$787,153.84 to \$1,749,153.84 through June 30, 1992; and extending the contract for 12 months through June 30, 1992.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0200 MR Requesting the Board of Supervisor's approval to extend the time for award of San Francisco Municipal Railway Contract No. MR-892, Scott Facility Add-On.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0201 MR Authorizing a fund transfer of \$300,000 from Object 145, Judgment and Claims, to fund a projected deficit within the Municipal Railway's Object 109, Other Contractual Services; and requesting from the Controller authorization to transfer up to \$150,000 from the Maintenance Division's Miscellaneous Salaries to the Transportation Division's Platform Salaries.

VOTE: Ayes - Chiesa, Chin, Flynn

RESOLUTION
NO.

On motion of Flynn, seconded by Chin, the following resolution was adopted:

- 91-0202 MR Requesting the Mayor and the Controller to approve a surplus of funds transfer of \$217,760 from the Municipal Railway's Judgments and Claims appropriation to Services of the City Attorney.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

- 91-0203 FM Requesting the Mayor and the Controller to approve a surplus of funds transfer of \$490,767 from PUC Bureaus' miscellaneous salaries and fringe benefits to Services of the City Attorney to fund the year-end shortfall.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

- 91-0204 PM Approving the Non-Civil Service and Temporary appointments and removals as indicated on the Temporary Employment Activity Roster, for the months of March and April, 1991.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

- 91-0205 HH Authorizing the Real Estate Department to negotiate and execute a lease agreement for Cabin Number One at Camp Mather with Charles Cran in lieu of previously authorized lease agreement with Robin Tyler Productions.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

- 91-0206 MR Authorizing the General Manager of Public Utilities to execute an amendment to the agreement with Manna Consultants, Inc. for the site-specific functional analyses for the Metro East Facility Project and extending the completion date of the agreement to July 31, 1991.

VOTE: Ayes - Chiesa, Chin, Flynn

RESOLUTION
NO.

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0207 UEB Authorizing the Manager of Utilities Engineering Bureau to execute an amendment to the agreement with Morrison-Knudsen Engineers, Inc. for performing design and field engineering services on an "as-needed" basis and to extend the completion date of the agreement to December 31, 1991.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0208 UEB Authorizing the Manager of Utilities Engineering Bureau to execute Amendment No. 6 to the Professional Services Agreement with Bechtel Corporation in an amount not-to-exceed \$8,906,826 to complete the Phase II Detail Design work for the MUNI Metro Turnaround Project.

VOTE: Ayes - Chiesa, Chin, Flynn

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

Announcement

President Chiesa announced that the Commission met in Executive Session on May 28, 1991 and approved the permanent appointment of Richard E. Brandt as Manager of Utilities Engineering Bureau.

Resolution No. 91-0203 -- Requesting the Mayor and the Controller to approve a surplus of funds transfer of \$490,767 from PUC Bureaus' miscellaneous salaries and fringe benefits to Services of the City Attorney to fund the year-end shortfall.

Ms. Michelle N. Witt, Acting Finance Director, Bureau of Finance, stated that the City Attorney had requested an additional amount of money to the current 1990/91 budget for Services of the City Attorney.

Mr. Fred Howell, Director, Resource Planning and Development, Bureau of Finance, said that the amount budgeted in this year's current budget for City Attorney services was \$2.4 million. The City Attorney had projected expenditures over the budgeted amount which had created a shortfall of \$737,803. A supplemental appropriation was previously approved in the amount of \$247,000. Therefore, approval to transfer a surplus of funds from the PUC Bureaus' budget was necessary in order to fund the year-end shortfall to Services of the City Attorney.

Mr. Thomas J. Elzey, General Manager, Public Utilities, said that the number of requests to the City Attorney's Office for legal counsel had exceeded the budgeted amount in this year's budget. Mr. Elzey remarked that staff was attempting to think through a process by which the various departments would not go through the City Attorney on certain matters and that in most instances the General Counsel of Public Utilities screens all requests for City Attorney services. He stated that he intended to create an internal check system by which there would be some type of control to stay within the budgeted amount, especially since next year's budget would be tighter than this year's budget for Services of the City Attorney.

Mr. George Krueger, General Counsel, Public Utilities, remarked that unlike many law firms, the City Attorney's Office generally does not initiate legal action but defends the City and County of San Francisco's position when in litigation.

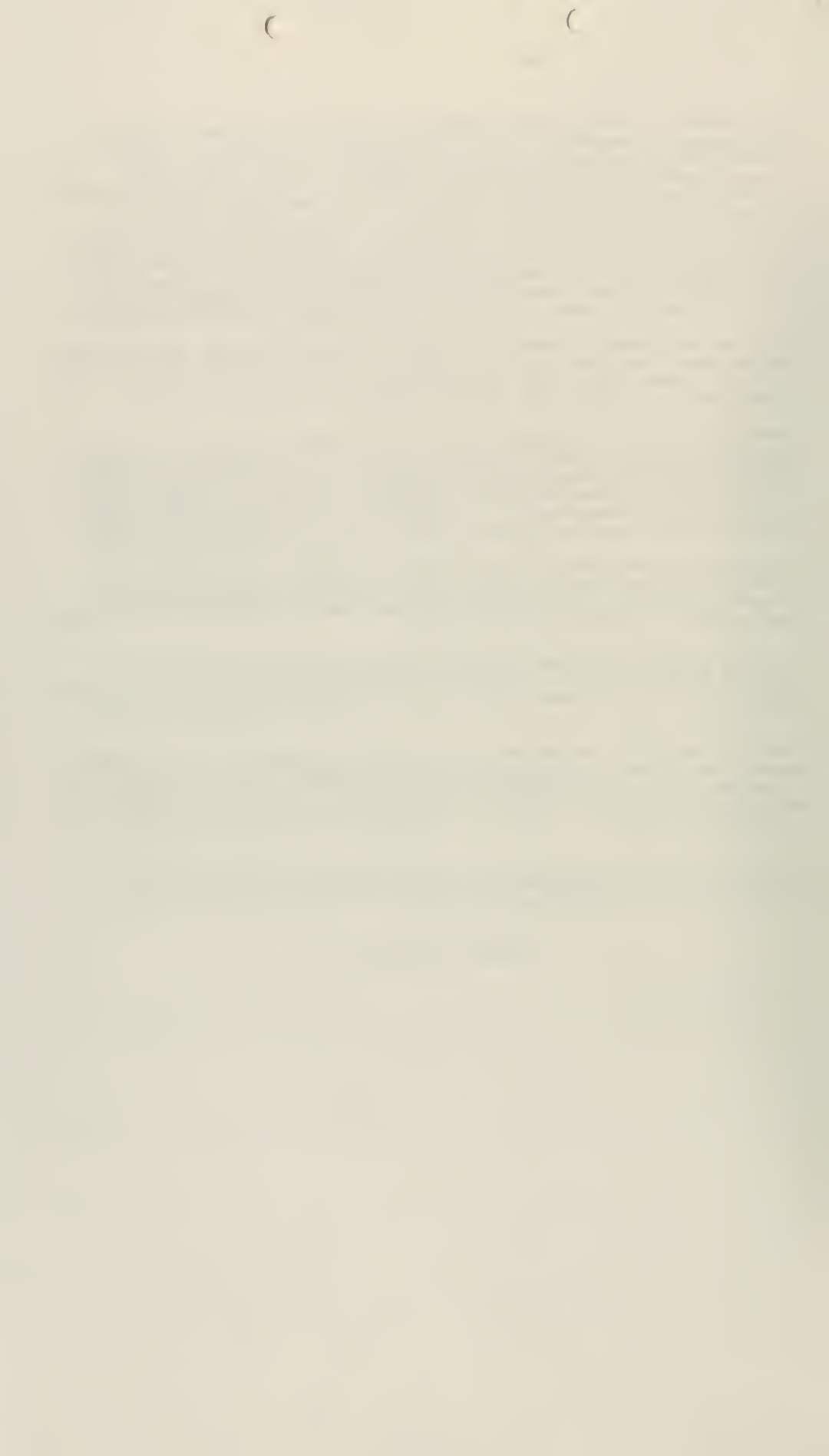
Commissioner Flynn requested that an analysis be prepared by staff showing how the projected expenditures for City Attorney services compare with last year's actual spending. He said he also wanted the analysis to show what the additional work was to substantially support the excess amount. In addition, he requested information comparing this year's outside counsel costs to last year's costs.

President Chiesa asked if the needs of the Water Department and Hetch Hetchy had been factored into the 1991/92 budget for City Attorney services since additional services are necessary due to all the problems related to the drought.

Mr. Elzey responded that initially they were factored into the 1991/91 budget but due to the 5% and 10% budget reductions it would reduce the overall money available to the City Attorney's Office next year.

Commissioner Chin requested that staff also show how the projected expenditures for City Attorney services compare with next year's proposed budget. He further requested that a narrative description be given of the major issues or expenditures which caused this problem to arise.

On motion of Commissioner Flynn, seconded by Commissioner Chin, Resolution No. 91-0203 was approved.



Resolution No. 91-0208 -- Authorizing the Manager of Utilities Engineering Bureau to execute Amendment No. 6 to the Professional Services Agreement with Bechtel Corporation in an amount not-to-exceed \$8,906,826 to complete the Phase II Detail Design work for the MUNI Metro Turnaround Project.

Mr. Flint Nelson, Manager, Project Services Division, Utilities Engineering Bureau, requested that Amendment No. 6 to the Professional Services Agreement with Bechtel Corporation be approved to complete the MUNI Metro Turnaround Project. He stated that in July of 1990 the Commission approved the start of Phase II Detail Design work for the Metro Turnaround Project which was limited only to work that could be completed prior to a final decision on the Embarcadero Freeway. Since a decision to demolish the Embarcadero Freeway had been made, Mr. Nelson said that the final scope of work for the Metro Turnaround Project could now be executed to complete the final plans and specifications for construction of the project. He stated that when the Detail Design work was completed, staff would be coming back to the Commission for a final amendment to fund Bechtel services during the three-year construction period.

On motion of Commissioner Chin, seconded by Commissioner Flynn, Resolution No. 91-0208 was approved.

Public Comments

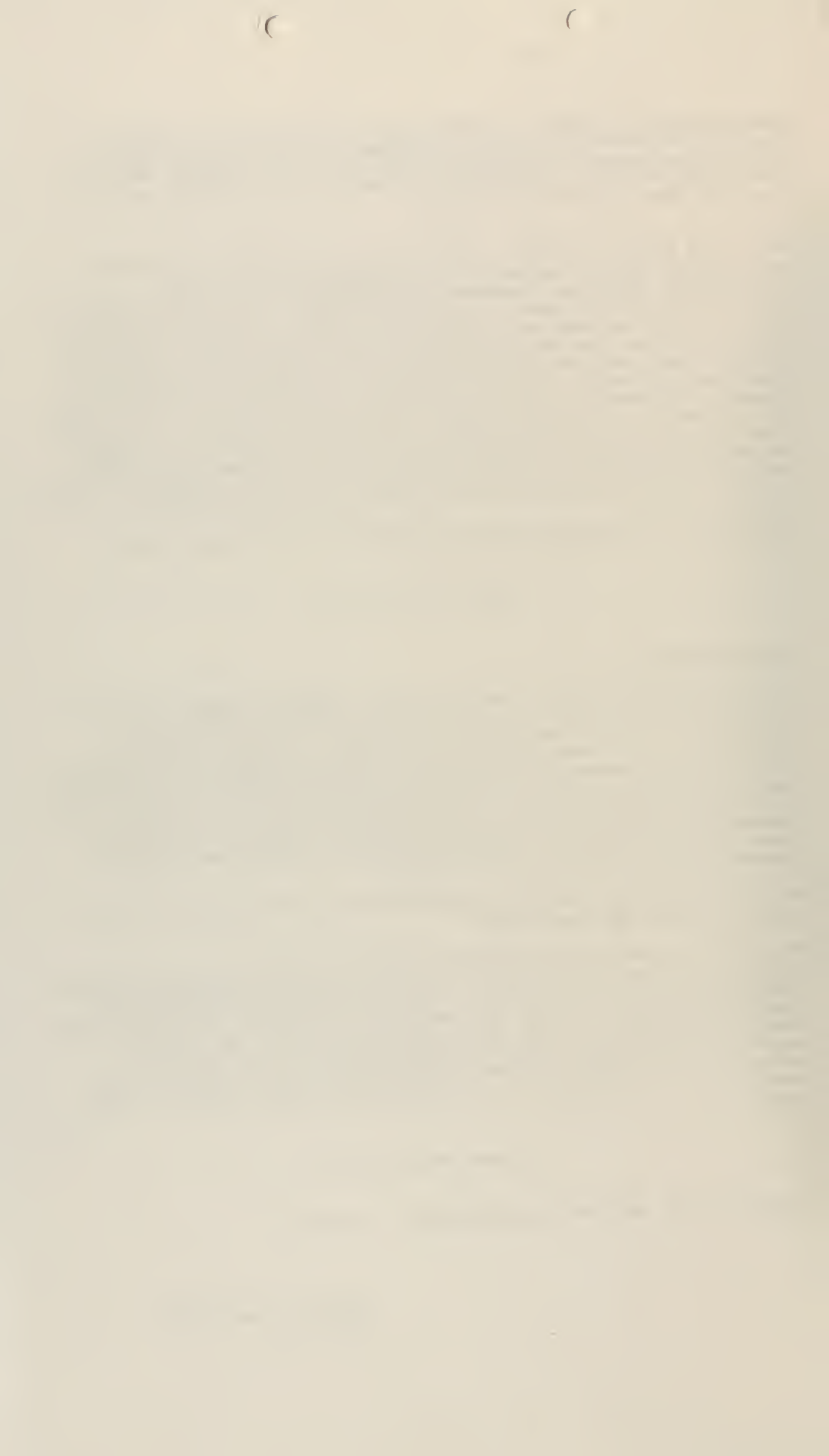
Mr. Andy Nash, President, San Francisco Tomorrow, spoke in favor of hiring additional staff to look at water conservation issues throughout the Water Department properties. Mr. Nash also made reference to his letter dated May 17, 1991 regarding the Municipal Railway Metro automatic train control system contract. He suggested that the Commission have a public hearing on the contract before any major decisions were made on the bid specifications. Mr. Nash commented further on how the bid specifications, and that the bid specifications should be amended since they seem to be targeted towards one particular type of system.

Mr. Elzey replied that the contract had been advertised and that a formal protest had been filed.

Mr. David Pilpel concurred with Mr. Nash's comments regarding the automatic train control system. He was also of the opinion that the Commission should hold public hearings and neighborhood meetings regarding any future plans the Municipal Railway would relate to the Muni Metro System over the next few years in order to give the public an overview of all the various projects that would be on-going. Mr. Pilpel further suggested that staff look into the security and maintenance of all Municipal Railway vehicles in the yards.

THEREUPON THE MEETING WAS ADJOURNED: 3:10 P.M.

Romaine A. Boldridge
Secretary



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MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos

Mayor

REGULAR MEETING

Room 282, City Hall

2:00 P.M.

June 11, 1991

COMMISSIONERS

Sherri Chiesa, President

Gordon Chin, Vice President

H. Welton Flynn

Arthur V. Toupin

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JUN 21 1991

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Hetch Hetchy Project

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Productivity

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Thomas J. Elzey

GENERAL MANAGER

Romaine A. Boldridge

SECRETARY

Call to Order: 2:15 P.M.

Present: President Sherri Chiesa, Commissioner H. Welton Flynn,
Commissioner Toupin

Excused: Vice President Gordon Chin

On motion of Flynn, seconded by Toupin, the Minutes of the regular meeting of May 28, 1991 were approved.

A tape of the meeting is on file in the Office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0209 WD Accepting the work performed under San Francisco Water Department Contract No. WD-1978, 48-Inch Ductile Iron Main Installation in Peabody Street, Leland Avenue, Rutland Street and Tucker Avenue from South City Limits to Delta Street; approving Debit Contract Modification No. 3 in the amount of \$58,590.00; authorizing an extension of time for unavoidable delays of 5 working days; and authorizing final payment in the amount of \$103,897.95 to the Contractor, Bay Pacific Pipelines, Inc. and Interlane General Engineering, AJV.

VOTE: Ayes - Chiesa, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0210 HH Approving the plans and specifications as prepared and recommended by staff, and authorizing Bid Call for San Francisco Hetch Hetchy Water & Power Contract No. HH-830, San Joaquin Pipeline No. 2, Repair Mortar Lining, Segment II.

VOTE: Ayes - Chiesa, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0211 MR Approving the plans and specifications as prepared and recommended by staff, and authorizing Bid Call for San Francisco Municipal Railway Contract No. MR-868, Metro Center Improvements, Track Switch Electrification and Replacement.

VOTE: Ayes - Chiesa, Flynn, Toupin

RESOLUTION
NO.

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0212 MR Awarding San Francisco Municipal Railway Contract No. MR-888, No. 30 Stockton Line Trolley Coach Overhead Reconstruction, in the amount of \$4,348,210 to Abbett-Yick, San Francisco, CA.

VOTE: Ayes - Chiesa, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0213 FM Requesting the Board of Supervisors to amend the San Francisco Administrative Code to allow the Cable Car Change Fund to be increased \$11,500; and requesting the Controller's concurrence in amending the Rules and Regulations, Public Utilities Commission Revolving Fund to adjust the amounts of certain funds and to update the authorized signature list.

VOTE: Ayes - Chiesa, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0214 WD Authorizing the General Manager of the Water Department to proceed with the execution of an agreement with Leland Stanford Junior University to provide professional services in developing an expert system computer application to assist in the operations of the San Francisco water supply system.

VOTE: Ayes - Chiesa, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0215 MR Authorizing the General Manager of Public Utilities to execute Amendment No. 4 of its contract with the U.S. Human Resources Corporation to extend the contract term to September 30, 1991 for an amount not-to-exceed \$23,579,699 for Paratransit Broker services.

VOTE: Ayes - Chiesa, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0216 MR Authorizing the General Manager of Public Utilities to negotiate and execute an Agreement with the Cerenio Management Group, in an amount not-to-exceed \$44,319,514 to perform Paratransit Broker services for disabled persons, including the sub-contracting of paratransit services to transportation providers, for the period of October 1, 1991 through June 30, 1996; and commending the Paratransit Broker Contract to the Board of Supervisors and the Mayor for their consideration and approval.

VOTE: Ayes - Chiesa, Flynn, Toupin

RESOLUTION
NO.

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0217 MR Authorizing the San Francisco Municipal Railway to extend the term of the contract with D & D Engineering to June 30, 1992 for engineering services to evaluate and redesign the Cable Car Track Brake System at no increase in cost.

VOTE: Ayes - Chiesa, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0218 MR Authorizing the San Francisco Municipal Railway to extend the PGH Wong Engineering, Inc. contract to December 31, 1991 to provide professional engineering services for the PCC Streetcar Rehabilitation Project at no increase in cost.

VOTE: Ayes - Chiesa, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0219 UEB Requesting the Controller to transfer \$12,240,000 from the Calaveras Pipeline Replacement, Project No. 102-01 to the San Andreas Water Treatment Plant Expansion No. 2 in an amount of \$9,816,000 and Sunol Water Treatment Plant Improvements in an amount of \$2,424,000.

VOTE: Ayes - Chiesa, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0220 UEB Authorizing the Manager of Utilities Engineering Bureau to negotiate and execute a professional services agreement with AGS, Inc. to provide engineering services for Hetch Hetchy Project "Emergency Action Plans for Hetch Hetchy Dams".

VOTE: Ayes - Chiesa, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0221 FM Authorizing the General Manager of Public Utilities to modify an agreement between the City and County of San Francisco and Williams, Adley & Company for an extension of time from June 30, 1991 to December 31, 1991 for auditing and consulting services on an "as-needed" basis.

VOTE: Ayes - Chiesa, Flynn, Toupin

RESOLUTION
NO.

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0222 FM Authorizing the General Manager of Public Utilities to modify an agreement between the City and County of San Francisco and Ferguson & Company for an extension of time from June 30, 1991 to December 31, 1991 for auditing and consulting services on an "as-needed" basis.

VOTE: Ayes - Chiesa, Flynn, Toupin

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

Item No. 10 -- Authorizing the Director of Property to proceed with the preparation of the necessary submittal to the Mayor and to the San Francisco Board of Supervisors for their approval of the granting of an easement to the State of California, Department of Water Resources for the purpose of connecting the South Bay Aqueduct to the San Antonio Reservoir and operating and maintaining the facilities.

Commissioner Toupin inquired if protection is needed to retain the interconnect beyond the 10-year contract period. He said the Commission should consider adding a clause that would protect the City's right to continue to have the interconnect.

Mr. John Mullane, General Manager, San Francisco Water Department, stated that he would have the City Attorney draft a clause to be added to the agreement.

The matter was continued.

Resolution No. 91-0216 -- Authorizing the General Manager of Public Utilities to negotiate and execute an Agreement with the Cerenio Management Group, in an amount not-to-exceed \$44,319,514 to perform Paratransit Broker services for disabled persons, including the sub-contracting of paratransit services to transportation providers, for the period of October 1, 1991 through June 30, 1996; and commending the Paratransit Broker Contract to the Board of Supervisors and the Mayor for their consideration and approval.

Ms. Annette Williams, Manager, Elderly and Handicapped Program, Municipal Railway, gave a brief overview of the broker selection process. She stated that the Broker Selection Committee reviewed the proposals and recommended that the Public Utilities Commission authorize the negotiation and execution of a contract with Cerenio Management Group as the most qualified company. The Cerenio Management Group is a minority woman-owned local business. All affirmative action requirements adopted by the PUC have been fulfilled.

The contract amount of \$44,319,514 allows for: approximately 10% for the broker's administration costs and 90% for transportation providers to pay for door-to-door services for disabled persons; projected sales tax expansion; 5% cost-of-living adjustment for each year; and an estimated \$2 million in State Transit Assistance funding from the Metropolitan Transportation Commission.

Attorney Kent Khtidian, representing U.S. Human Resources, Inc. (USHRC), one of the contract bidders, read a letter that he had handed to the Commission. He stated that his client believed he was disadvantaged in the proposal selection process and questioned the overall qualifications of Cerenio Management Group--how USHRC's long and proven record of minority hiring and promotion; fiscal and physical resources; proven procedures and practices; and experienced staff, weighed against those contained in the proposal of the successful bidder. He said his client was also concerned that the successful bidder (a former employee) may intend to use procedures, practices and a computer program specifically designed by USHRC for the administration of paratransit services.

Mr. Khtidian stated that he had recently requested selection process information from Muni staff and that he had received a prompt response. He said USHRC was requesting that the Commission put into abeyance its decision on the award of the paratransit broker services contract until the documents could be reviewed in more detail.

Ms. Virginia Cerenio, principal owner of Cerenio Management Group, stated that she developed many of the innovations at USHRC; that she was experienced and well-qualified to perform in all aspects of the contract; and that her firm had followed all requirements in the selection process and had submitted a fair bid. Ms. Cerenio asked that the Commission not delay a decision on the contract.

Mr. Michael Kwok, Vice Chairman, Paratransit Coordinating Council, spoke highly of Virginia Cerenio and supported awarding the contract to her firm.

Mr. Silas Telfor, Secretary, Paratransit Coordinating Council, spoke in favor of awarding the contract to Cerenio Management Group.

Mr. David Pilpel concurred in support of the Cerenio Management Group proposal and asked that the Commission act on the matter today.

On motion of Commissioner Flynn, seconded by Commissioner Toupin, Resolution No. 91-0216 was adopted.

Public Comments

Mr. David Pilpel stated that he had not received a follow-up on the matter of Inter-Operator Fare Coordination Agreements.

Referring to the upcoming fare hearings next week, Mr. Pilpel asked whether there would be a change in the City's reimbursement for the regional pass. Ms. Michelle Witt, Acting Finance Director, replied that it was not the intent to raise the cost.

Mr. Pilpel said he received today's agenda an hour before the meeting and that it was postmarked June 10. He requested that the Commission Secretary look into the matter.

Mr. Pilpel inquired about the status of the proposed Historic Streetcar service. Mr. Johnny Stein, General Manager, San Francisco Municipal Railway, replied that staff was looking into making this service self-supporting and that the matter should come before the Commission soon.

Mr. Pilpel said he had not received information on the Short Range Transit Plan. He also suggested holding neighborhood meetings on the Short Range Transit Plan.

Mr. Art Michel, Board Member of the Market Street Railway, and representing Mr. Steve Pickens, the President, requested that the special services agreement be on the calendar for the next meeting as they had planned to operate the streetcars on the Fourth of July and the next meeting would be the last meeting prior to that date.

Ms. Michelle Witt said staff was working on the matter and would try to get it to the Commission as soon as possible.

THEREUPON THE MEETING WAS ADJOURNED: 2:54 P.M.

Romaine A. Boldridge
Secretary

MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos

Mayor

SPECIAL MEETING

Southeast Community Facility

1800 Oakdale Avenue

San Francisco, CA

7:00 p.m.

June 17, 1991

COMMISSIONERS

Sherri Chiesa, President

Gordon Chin, Vice President

H. Welton Flynn

Arthur V. Toupin

DEPARTMENTS

Hetch Hetchy Project

Municipal Railway

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Personnel and Training

Thomas J. Elzey

GENERAL MANAGER

Romaine A. Boldridge

SECRETARY

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JUL 8 1991

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Call to Order: 7:15 P.M.

Present: President Sherri Chiesa, Commissioner H. Welton Flynn,
Commissioner Arthur V. Toupin

Excused: Vice President Gordon Chin

A tape of the meeting is on file in the Office of the Secretary of the Public Utilities Commission.

Public Hearing

Item No. 3 -- To consider adopting modifications to the Schedule of Rates, Fares and Charges of the San Francisco Municipal Railway to increase the price of the Adult Fast Pass and to increase the fare for Special Events Service.

Ms. Michelle N. Witt, Acting Finance Director, Bureau of Finance, gave a presentation on the staff proposal to: 1) increase the Adult Fast Pass from \$28 to \$32 per month; and, 2) increase the price of Special Events Service to \$5 per trip with the price remaining at \$2 per trip with the use of the Fast Pass. She explained that the Mayor recommended that staff reduce the Municipal Railway's 1991/92 operating budget by \$6 million. This proposed increase from \$28 to \$32 would generate \$4 million in revenue for Fiscal Year 1991/92. The Mayor's budget also included a \$1 million reduction to Muni's administrative costs, by cutting 18 positions from the budget and a \$0.4 million reduction to non-labor expenses.

Ms. Witt stated that there were two areas in which Muni would be increasing service, both of which are funded from non-General fund revenues: 1) paratransit service totalling \$1.1 million, which is funded from the City's new half-cent sales tax; and, 2) service in the downtown and South of Market area totalling \$0.5 million, which is funded from Transit Impact Development Fee revenues.

Some of the benefits of the Fast Pass that would remain with the Adult Fast Pass increase would be unlimited use of Muni and BART transportation within the City of San Francisco, convenience, and value versus the single fare. Currently, Muni sells about 108,000 Adult Fast Passes each month, which is a 4% increase in Fast Pass sales in the last two years. Ms. Witt further stated that Muni's adult cash fares and monthly pass prices would still be cost-effective in comparison with other major transit systems.

Ms. Witt also stated that the proposed increase to the ballpark cash fare was primarily being requested to accommodate the new electronic fareboxes that will be installed beginning July 1991. The fare increase to \$5 would take effect by the beginning of the baseball season in April 1992. The \$2 fare would remain the same with the use of the Fast Pass.

In response to questions raised by Commissioners, Ms. Witt said that about half of the fare revenue received was generated from the sale of Fast Passes; that staff projected a 2% decrease in Fast Pass sales if the Fast Pass fare were to be raised to \$32; that there would be no layoffs as a result of the \$1 million reduction to Muni's administrative costs requested by the Mayor; and that raising the senior fare Fast Pass would not generate a significant amount of revenue.

President Chiesa invited public comments.

Mr. Clark Adams was of the opinion that Muni was losing thousands of dollars every month by selling discount passes to those who do not qualify. Therefore, he was opposed to raising the Fast Pass fare and felt it was not warranted or needed.

Commissioner Flynn asked staff if there was a system in place that qualifies people for the discount pass.

Mr. Johnny B. Stein, General Manager, Municipal Railway, replied that there was already a system in place requiring that a picture I.D. be presented to the vendor before a Discount Pass could be issued. He said there was the possibility that the vendors who are selling Discount Passes were not being honest and that staff would do an internal investigation to see if such allegations were true.

Mr. Thomas J. Elzey, General Manager, Public Utilities, also stated that staff would be auditing the procedures on the sale of Fast Passes from the different vendors.

Ms. Leatrice Remo stated that before Muni decides to raise the Fast Pass fare that certain issues should be addressed regarding internal problems, such as the illegal sale of Muni transfers. She said that most of these problems occur at night when there is less supervision.

Mr. Stein said that in order to correct the problem of selling transfers the whole transfer system would have to be changed. Further, he stated that staff would be making every effort to make service improvements despite the fact that 29 supervisors were cut from the 1988/89 budget.

Ms. Jane Cutter remarked that Muni was a necessity of life for many people and that raising the Fast Pass fare to \$32 would discourage Muni ridership. She stated also that raising the fare would put a regressive tax on the working people.

The public hearing was continued to June 18, 1991.

THEREUPON THE MEETING WAS ADJOURNED: 7:55 P.M.

Romaine A. Boldridge
Secretary

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MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos

Mayor

SPECIAL MEETING

Southeast Community Facility

1800 Oakdale Avenue

San Francisco, CA

7:00 p.m.

June 17, 1991

COMMISSIONERS

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Arthur V. Toupin

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Thomas J. Elzey

GENERAL MANAGER

Romaine A. Boldridge

SECRETARY

Call to Order: 7:15 P.M.

Present: President Sherri Chiesa, Commissioner H. Welton Flynn,
Commissioner Arthur V. Toupin

Excused: Vice President Gordon Chin

A tape of the meeting is on file in the Office of the Secretary of the Public Utilities Commission.

Public Hearing

Item No. 3 -- To consider adopting modifications to the Schedule of Rates, Fares and Charges of the San Francisco Municipal Railway to increase the price of the Adult Fast Pass and to increase the fare for Special Events Service.

Ms. Michelle N. Witt, Acting Finance Director, Bureau of Finance, gave a presentation on the staff proposal to: 1) increase the Adult Fast Pass from \$28 to \$32 per month; and, 2) increase the price of Special Events Service to \$5 per trip with the price remaining at \$2 per trip with the use of the Fast Pass. She explained that the Mayor recommended that staff reduce the Municipal Railway's 1991/92 operating budget by \$6 million. This proposed increase from \$28 to \$32 would generate \$4 million in revenue for Fiscal Year 1991/92. The Mayor's budget also included a \$1 million reduction to Muni's administrative costs, by cutting 18 positions from the budget and a \$0.4 million reduction to non-labor expenses.

Ms. Witt stated that there were two areas in which Muni would be increasing service, both of which are funded from non-General fund revenues: 1) paratransit service totalling \$1.1 million, which is funded from the City's new half-cent sales tax; and, 2) service in the downtown and South of Market area totalling \$0.5 million, which is funded from Transit Impact Development Fee revenues.

Some of the benefits of the Fast Pass that would remain with the Adult Fast Pass increase would be unlimited use of Muni and BART transportation within the City of San Francisco, convenience, and value versus the single fare. Currently, Muni sells about 108,000 Adult Fast Passes each month, which is a 4% increase in Fast Pass sales in the last two years. Ms. Witt further stated that Muni's adult cash fares and monthly pass prices would still be cost-effective in comparison with other major transit systems.

Ms. Witt also stated that the proposed increase to the ballpark cash fare was primarily being requested to accommodate the new electronic fareboxes that will be installed beginning July 1991. The fare increase to \$5 would take effect by the beginning of the baseball season in April 1992. The \$2 fare would remain the same with the use of the Fast Pass.

In response to questions raised by Commissioners, Ms. Witt said that about half of the fare revenue received was generated from the sale of Fast Passes; that staff projected a 2% decrease in Fast Pass sales if the Fast Pass fare were to be raised to \$32; that there would be no layoffs as a result of the \$1 million reduction to Muni's administrative costs requested by the Mayor; and that raising the senior fare Fast Pass would not generate a significant amount of revenue.

President Chiesa invited public comments.

Mr. Clark Adams was of the opinion that Muni was losing thousands of dollars every month by selling discount passes to those who do not qualify. Therefore, he was opposed to raising the Fast Pass fare and felt it was not warranted or needed.

Commissioner Flynn asked staff if there was a system in place that qualifies people for the discount pass.

Mr. Johnny B. Stein, General Manager, Municipal Railway, replied that there was already a system in place requiring that a picture I.D. be presented to the vendor before a Discount Pass could be issued. He said there was the possibility that the vendors who are selling Discount Passes were not being honest and that staff would do an internal investigation to see if such allegations were true.

Mr. Thomas J. Elzey, General Manager, Public Utilities, also stated that staff would be auditing the procedures on the sale of Fast Passes from the different vendors.

Ms. Leatrice Remo stated that before Muni decides to raise the Fast Pass fare that certain issues should be addressed regarding internal problems, such as the illegal sale of Muni transfers. She said that most of these problems occur at night when there is less supervision.

Mr. Stein said that in order to correct the problem of selling transfers the whole transfer system would have to be changed. Further, he stated that staff would be making every effort to make service improvements despite the fact that 29 supervisors were cut from the 1988/89 budget.

Ms. Jane Cutter remarked that Muni was a necessity of life for many people and that raising the Fast Pass fare to \$32 would discourage Muni ridership. She stated also that raising the fare would put a regressive tax on the working people.

The public hearing was continued to June 18, 1991.

THEREUPON THE MEETING WAS ADJOURNED: 7:55 P.M.

Romaine A. Boldridge
Secretary

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MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos

Mayor

SPECIAL MEETING

Municipal Railway Headquarters Building

2640 Geary Boulevard

San Francisco, CA

7:00 p.m.

June 18, 1991

COMMISSIONERS

Sherri Chiesa, President

Gordon Chin, Vice President

H. Welton Flynn

Arthur V. Toupin

DEPARTMENTS

Hetch Hetchy Project

Municipal Railway

Water Department

BUREAUS

Energy Conservation

Engineering and
Construction Management

Financial Management

Information Systems

Management Efficiency and
Productivity

Personnel and Training

Thomas J. Elzey

GENERAL MANAGER

Romaine A. Boldridge

SECRETARY

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Call to Order: 7:08 P.M.

Present: President Sherri Chiesa, Vice President Gordon Chin,
Commissioner H. Welton Flynn

Excused: Vice President Arthur V. Toupin

A tape of the meeting is on file in the Office of the Secretary of the Public Utilities Commission.

Public Hearing

Item No. 3 -- To consider adopting modifications to the Schedule of Rates, Fares and Charges of the San Francisco Municipal Railway to increase the price of the Adult Fast Pass and to increase the fare for Special Events Service. (Continued from June 17, 1991 meeting)

Ms. Michelle N. Witt, Acting Finance Director, Bureau of Finance, stated that staff was proposing to increase the Adult Fast Pass from \$28 to \$32 and increase the price of Special Events Service for individual cash fares to \$5. The Municipal Railway was required, as part of balancing the city-wide budget, to come up with \$6 million in cuts or revenue enhancements. Staff projected that \$4 million in revenue would be generated by increasing the Fast Pass fare from \$28 to \$32 in order to balance the budget.

She further stated that there would be increased paratransit service totalling \$1.1 million, which is funded from the City's new half-cent sales tax; and increased service in the downtown area totalling \$0.5 million, which is funded from Transit Impact Development Fee revenues. These services would be funded from non-General Fund revenues. Also, 18 positions from Muni's administrative budget would be cut, which would be a total reduction of \$1 million to the budget. There would also be a \$0.4 million reduction to non-labor expenses.

Ms. Witt remarked on how the Fast Pass had always been a very good program for Muni because of its convenience and value. She stated that the Fast Pass would still be a good value at \$32 because the daily commuter who commutes 5 days a week, 2 trips per day, would still be getting 2 free trips per month. The Fast Pass also allows the commuter to ride unlimited anywhere on the Muni and BART system in the City of San Francisco. Currently, there are 108,000 passes sold each month, which translates into about \$37 million in revenue per year for Muni. The projected \$4 million in revenue takes into account a 2% reduction in Fast Pass sales.

Muni's adult cash fares and monthly pass prices would still be cost-effective compared to other major transit systems. Also, Muni's overhead costs are the second lowest in the U.S.A. when compared to other transit agencies.

Ms. Witt also stated that the proposed increase to the Ballpark Cash Fare was primarily being asked to accommodate the new electronic fareboxes that will start being installed in July 1991. The fare increase to \$5 would take effect by the beginning of the baseball season in April 1992. The \$2 fare would remain the same with the use of the Fast Pass.

President Chiesa invited public comments.

Mr. Max Bedel spoke in opposition to raising the Fast Pass fare and suggested that Muni eliminate Fast Passes, eliminate transfers, and charge a flat 25¢ fare.

Mr. Art Weber, representing San Pablo Avenue Rapid Transit Authority (SPARTA), prepared a written statement expressing SPARTA's concerns for people who do not drive cars and remarked that he was opposed to any increase in public transit fares.

Mr. Clayton Mansfield spoke in opposition to any increases in the Fast Pass fare and Ball Park fare. He stated that he regularly buys the monthly Fast Pass because of its convenience and value and suggested that if there were going to be an increase in the fare it should only be \$30.

Ms. Enid Lim, representing Chinatown Transportation Research Improvement Project (TRIP), expressed opposition to any rate increases proposed for the adult Fast Pass. Her concern was that people who really need the Fast Pass are the ones who would be penalized by the fare increase and to target only those who use the adult Fast Pass was unreasonable. She was of the opinion that to increase the Fast Pass without looking at increasing the basic rate was not fair.

Mr. Jim Cassidy spoke in opposition to any raise in the Fast Pass fare. He stated he regularly commutes using Muni and that to increase the fare to \$32 would close the gap between what it costs to park and what it costs to take the bus. Further, he expressed his views on how frequent Muni does not meet their scheduled times of arrival. Therefore, he felt to increase the fare on the Fast Pass was not justified.

Mr. Leon Stone stated he was opposed to increasing the Fast Pass fare and urged the Commission not to approve the \$32 fare increase. He said that it would be very difficult, especially as a single parent, to pay such a large amount so suddenly. Mr. Stone suggested that an increase to \$30 would be more reasonable.

Mr. David Pilpel, representing himself, spoke on several issues related to the proposed Fast Pass fare increase to \$32. He referred to his letter of May 29, 1991 to the Urban Mass Transportation Administration seeking clarification on the review procedures related to transit fare changes. Mr. Pilpel stated that Golden Gate Transit prepared a "Review of the Energy, Environmental, Economic and Social Effects of Proposed Increase in Bridge Tolls and Increase in Transit Fares" and was of the opinion that Muni should conduct such a review before increasing fares. In addition, he inquired whether a state-level environmental review had been conducted before considering any fare increase.

Mr. Pilpel stated that an increase in the Fast Pass price was warranted to balance the budget, but not without other changes to the fare structure. He presented his proposal on changing the whole fare structure and believed that his proposal distributed the increased revenues more evenly across the various fare categories and did not just focus on any one segment of the fare structure. Also, he said Muni should introduce tokens when the dollar fare is implemented.

He made reference to Senate Bill 210, which would raise bridge tolls for capital improvements to be shared by Muni, Caltrans and BART. He suggested that PUC lobby to change Senate Bill 210 so that the funds could be used for operating purposes as opposed to capital improvements alone.

Mr. Jay Lafkins spoke in opposition to the fare being increased by 15% without any justification.

Mr. Pilpel communicated San Francisco Tomorrow's position on the Muni fare increase stating they were opposed to any fare increases since it would reduce transit ridership and their suggestions to ending Muni's budget crisis.

Commissioner Chin asked why the Commission had to make a decision on this fare proposal tonight.

Ms. Witt replied that staff would be presenting the budget to the Finance Committee of the Board of Supervisors the next day.

Commissioner Chin questioned whether this was the only way to acquire \$6 million, \$4 million being from the Fast Pass fare. He said that a 15% increase seemed rather drastic without an analysis being done of all the options.

Mr. Thomas J. Elzey, General Manager, Public Utilities, responded that internally staff had already looked at all types of options on increasing fares and finally settled upon increasing the fare to \$32 as being the best way to raise funds to balance the budget.

The Commission expressed their various concerns about the proposal before them. Commissioner Chin said he needed additional information on the proposal before he would make any decision to increase the Fast Pass to \$32.

Commissioner Flynn stated it would be helpful for the Commission to know just exactly what work had been done to substantiate the proposed \$32 fare increase. He said that he was not prepared to vote on this proposal tonight.

President Chiesa remarked that this fare increase was not intended to increase service, but was in fact a fare increase to balance the city budget. Though not opposed to fare increases, she was of the opinion this was not the right proposal. She stated that people who buy the Fast Pass were the best supporters of the transportation system which generates a steady revenue stream for Muni and to look at a proposal that would discourage use of that group of people was problematic.

Commissioner Flynn directed staff to: 1) look into what the projection would be if the cash fare were raised to \$1; 2) see what the fare would be if the subsidy were removed from the Ballpark fare; and, 3) review the total budget to see if there were other alternative items which could be reduced.

Commissioner Chin requested that staff review David Pilpel's suggestion to amend the bridge toll legislation.

Mr. Elzey responded to David Pilpel's suggestion stating that staff was working to have Senate Bill 210 amended but that if the funds did become available they would not be effective until 1992/93.

Ms. Romaine A. Boldridge, Commission Secretary, Public Utilities Commission, explained that only two items were advertised for this public hearing: 1) to increase the price of the Adult Fast Pass from \$28 to \$32 per month; and 2) to increase the price of Special Events Service to \$5 per round trip. She stated that if the Commission decided to consider changing any other items in the fare schedule, that another public hearing would have to be scheduled so that the public could voice their concerns.

Mr. Elzey said that staff would be giving the Commission a report on the information requested before the June 25, 1991 Commission meeting. He stated that the Commission could determine at the June 25, 1991 Commission meeting whether or not to have a public hearing to consider alternative fare increases, to postpone action on this particular package, or to adopt the current proposed package.

Commissioner Chin moved that this item be continued to the June 25, 1991 meeting. Commissioner Flynn seconded.

The Commission voted to continue the public hearing to June 25, 1991.

THEREUPON THE MEETING WAS ADJOURNED: 8:20 P.M.

Romaine A. Boldridge
Secretary

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MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos

Mayor

REGULAR MEETING

Room 282, City Hall

2:00 P.M.

June 25, 1991

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COMMISSIONERS

Sherri Chiesa, President

Gordon Chin, Vice President

H. Welton Flynn

Arthur V. Toupin

DEPARTMENTS

Hetch Hetchy Project

Municipal Railway

Water Department

BUREAUS

Energy Conservation

Engineering and
Construction Management

Financial Management

Information Systems

Management Efficiency and
Productivity

Personnel and Training

Thomas J. Elzey

GENERAL MANAGER

Romaine A. Boldridge

SECRETARY

Call to Order: 2:36 P.M.

Present: President Sherri Chiesa, Vice President Gordon Chin,
Commissioner H. Welton Flynn, Commissioner Arthur V. Toupin

On motion of Toupin, seconded by Flynn, the Minutes of the regular meeting of June 11, 1991 were approved.

A tape of the meeting is on file in the Office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0223 FM Adopting modifications to the Schedule of Rates, Fares and Charges of the San Francisco Municipal Railway to increase the price of the Adult Fast Pass to \$30.00; and requesting the Finance Committee of the Board of Supervisors to reduce the Municipal Railway Budget \$1,600,000.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0224 FM Authorizing the Assistant General Manager of Finance, Public Utilities Commission, to apply for, accept and expend \$50,000,000 of UMTA Section 3 capital assistance, including the required local match funds, for the Muni Metro Turnback project.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0225 FM Authorizing the Assistant General Manager of Finance, Public Utilities Commission, to apply for, accept, and expend \$1,751,800 of UMTA Federal Aid Urban Systems capital assistance, including the required local match funds, for the Municipal Railway's Fixed-Facilities.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0226 FM Requesting the Controller to draw warrants in payment of claims against the Municipal Railway, totaling \$115,927.47.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Chin, seconded by Flynn, the following resolution was adopted:

- 91-0227 FM Approving collections of charges for damages for the month of May, 1991, against the San Francisco Municipal Railway from miscellaneous debtors in the amount of \$16,587.62 and write-off compromise reductions for comparative negligence in the amount of \$6,395.89; San Francisco Water Department from miscellaneous debtors in the amount of \$2,916.60; and Bureau of Light, Heat & Power from miscellaneous debtors in the amount of \$3,354.96 and write-off compromise reductions for comparative negligence in the amount of \$639.62.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Chin, seconded by Flynn, the following resolution was adopted:

- 91-0228 WD Approving the plans and specifications as prepared and recommended by staff, and authorizing Bid Call for San Francisco Water Department Contract No. WD-2052, 8-Inch Ductile Iron Main Installation in Fremont Street between Market and Harrison Streets.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Chin, seconded by Flynn, the following resolution was adopted:

- 91-0229 WD Awarding San Francisco Water Department Contract No. WD-2009, Baden Pump Station Improvements, in the amount of \$216,300, to E. Mitchell, Inc., Contractor.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Chin, seconded by Flynn, the following resolution was adopted:

- 91-0230 WD Awarding San Francisco Water Department Contract No. WD-2067, 8-Inch Ductile Iron Main Installation in Hayes Street between Buchanan and Larkin Streets, in the amount of \$333,800, to P & J Utility Company, Contractor.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Chin, seconded by Flynn, the following resolution was adopted:

- 91-0231 WD Approving Debit Contract Modification No. 1 in the amount of \$303,204, to San Francisco Water Department Contract No. WD-2060, San Andreas Water Treatment Plant Expansion No. 2.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Chin, seconded by Flynn, the following resolution was adopted:

- 91-0232 MR Accepting the work performed under Municipal Railway Contract No. MR-997 Woods Division - Maintenance Building - Roof Repair as satisfactorily completed; approving Contract Modification No. 2 which authorizes an extension of time of 31 calendar days for unavoidable delays; and authorizing final payment in the amount of \$2,220.90, to Angotti & Reilly, Inc., Contractor.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Chin, seconded by Flynn, the following resolution was adopted:

- 91-0233 PM Approving the Non-Civil Service and Temporary appointments and removals as indicated on the Temporary Employment Activity Roster, for the month of May, 1991.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Chin, seconded by Flynn, the following resolution was adopted:

- 91-0234 FB Designating Wednesday, July 31 and Thursday, August 1, 1991, at 7:00 p.m., at locations to be determined, as the date and time for public hearings to consider a per capita rationing plan for the San Francisco Water Department.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

- 91-0235 WD Approving the Memorandum of Understanding for Urban Water Conservation in California; authorizing the General Manager, San Francisco Water Department, to enter into the Memorandum of Understanding with other urban water suppliers and environmental organizations, for the period of the life of the Bay/Delta hearings (10 years); and requesting the Board of Supervisors to approve the San Francisco Water Department entering into the Memorandum of Understanding.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

- 91-0236 WD Authorizing the General Manager of Public Utilities to enter into a First Amendment to the water transfer agreement with Placer County Water Agency; and to enter into a Second Amendment for the extension of time only, if the State Department of Water Resources should not approve the transfer by July 1, 1991.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

- 91-0237 WD Authorizing the General Manager of the San Francisco Water Department to advertise and circulate a Request-for-Qualifications to interested consulting firms for the development of an Emergency Response Plan for the Water Department to follow in the event of a catastrophic occurrence.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

- 91-0238 MR Authorizing the General Manager of Public Utilities to enter into a contract with Kim Weller Design for marketing, advertising, and creative design services, for the period July 1, 1991 through June 30, 1993, in an amount not to exceed \$125,000 in each fiscal year.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

- 91-0239 MR Accepting the work performed under Municipal Railway Contract No. MR-995 Cable Car System - Cable Traction Study as satisfactorily completed; approving Contract Modification No. 1 authorizing an extension of the contract term of 248 calendar days; and authorizing final payment in the amount of \$13,208.11 to Raymond Brooks Engineering, Contractor.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Chin, seconded by Flynn, the following resolution was adopted:

- 91-0240 MR Authorizing the Municipal Railway to operate limited-stop trips along a portion of line 28-NINETEENTH AVENUE, on weekdays when school schedule is in effect between the approximate hours of 7:00 and 9:00 a.m. and 1:30 and 4:30 p.m., from Daly City BART to California Street and Park Presidio Boulevard, with stops on Park Presidio Boulevard at California, Geary, Balboa and Fulton; on 19th Avenue at Lincoln, Judah, Noriega, Quintara, Taraval, Sloat, Eucalyptus, Winston, Holloway, and at Daly City BART.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

- 91-0241 MR Denying the request to operate Z-ZOO historic streetcar service as proposed by Market Street Railway, Inc.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Toupin, seconded by Chin, the following resolution was adopted:

91-0242 HH Authorizing the General Manager of Public Utilities to add \$64,000 to the Professional Services Agreement with Call Co., Ltd., Consultant, for additional work in connection with power contracts.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0243 HH Approving and authorizing the General Manager of Public Utilities to enter into the Fourth Amendment to Agreement with Grueneich, Ellison and Schneider, for legal services, increasing the contract by \$300,000, for a total amount not to exceed \$894,000.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0244 HH Approving and authorizing the General Manager of Public Utilities to enter into the Second Amendment to Agreement with Vinson & Elkins, for legal services, increasing the contract amount by \$360,000, for a total not to exceed \$960,000.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0245 HH Approving and authorizing the General Manager of Public Utilities to enter into the First Amendment to Agreement with Ellis, King, & Prioleau, P.C., for legal services, increasing the amount by \$72,000, for a total not to exceed \$132,000.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0246 UEB Rejecting the sole bid received on March 26, 1991 for San Francisco Water Department Contract No. WD-2082, Purchase of 115KV Circuit Switchers for San Antonio Pump Station Project.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0247 UEB Authorizing the Manager, Utilities Engineering Bureau, to execute Amendment No. 1 to Agreement with James M. Montgomery, Inc., Consulting Engineers, for professional detailed design and construction support engineering services on the Sunol Valley Water Treatment Plant Improvements Project, in an amount not to exceed \$1,336,613; and to extend the contract completion date until August 30, 1993.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0248 FM Authorizing the Assistant General Manager, Finance, Public Utilities Commission, to apply for, accept, and expend \$194,534 from 1991-92 State Transit Capital Improvement funds and \$194,534 from regional and local matching fund sources: Clean Air and Transportation Act of 1990 Bonds, State Transit Assistance funds, Transportation Development Act, AB 1107 funds, AB 664 and Regional Measure One Bridge Toll Revenues, Transit Impact Development Fees, Transportation Sales Tax Revenues, Hetch Hetchy funds and/or San Francisco Municipal Railway Improvement Corporation funds, for two Municipal Railway capital projects: Metro Center Improvements and Metro Accessibility Improvements.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

Report of the General Manager

Status of Reclaimed Water

Ms. Cheryl Davis, Manager, Customer Services Division, Water Department, reported on the water reclamation master plan both at the local and state level, and within the service area. She presented several charts explaining the project's approach; location of potential users; breakdown of demand on an annual average basis; location of alternative treatment sites; location of alternative distribution lines; economic analysis; and the current reclamation schedule.

She stated that at the local level staff was working to co-fund a study with the Department of Public Works in an effort to figure out what San Francisco's demands would be for reclaimed water.

Currently, an economic analysis was underway to determine the actual costs per acre foot in San Francisco for various reclaimed water flows. The cost for reclaimed water would range from \$600 per acre foot to \$1,000 per acre foot. In addition to the economic analysis, she explained that several other projects must be completed, such as: facility siting; property acquisition; environmental impact review; permitting and funding.

Ms. Davis said that within San Francisco there was a limited non-potable demand because there is very limited green space. But within the Water Department's service area there are places that do a lot of irrigation and that have much hotter climates, therefore, their demand for non-potable water would be greater. Recognizing that, the Water Department had set up a regional task force on alternate water sources. This task force would help do regional planning towards maximizing the use of reclaimed water in the Water Department's entire service area. She further stated that staff was participating at the state level with work groups connected with the Bay Delta hearings process and with the State Water Conservation Coalition and had provided technical reports and reclamation action plans about what needs to happen politically in order to give us the the institutional support and funding for such a project.

Announcement

Mr. Thomas J. Elzey, General Manager, Public Utilities, introduced Ms. Kathleen Gilbert who was recently appointed to the position of Deputy General Manager and Chief Transportation Officer, Municipal Railway.

Public Hearing

Resolution No. 91-0223 - Adopting modifications to the Schedule of Rates, Fares and Charges of the San Francisco Municipal Railway to increase the price of the Adult Fast Pass to \$30.00 and requesting the Finance Committee of the Board of Supervisors to reduce the Municipal Railway budget \$1,600,000. (Continued from Special Meeting of June 18, 1991.)

Ms. Michelle N. Witt, Acting Finance Director, Bureau of Finance, stated that staff had reviewed the Municipal Railway's budget per the Commission's instructions at the June 18, 1991 meeting. She described each of the proposed expenditure reductions totalling approximately \$1.6 million and what effect they would have on the department. By raising the Fast Pass fare to \$30, there would be \$2.4 million in increased revenue versus raising the fare to \$32 with a \$4 million increase in revenue. Also, she said that the breakeven point for the ballpark fare would be \$12 per person. Currently, the ballpark service is subsidized by about \$600,000 a year.

Mr. Elzey stated that the proposed adjustments to the budget would have an impact on the department both short-term and long-term but that none of the proposed reductions would have a direct impact on Muni service. He said that staff looked at all areas of the budget so that no one area would be heavily impacted.

Commissioner Flynn expressed his concern in seeing the subsidy taken out of ballpark service.

Mr. Elzey stated that the PUC was not included in the lease negotiations between the City and the Giants and 49ers. He requested that the Commission allow staff to review privatizing ballpark service as a potential alternative before taking any action on this item.

President Chiesa invited public comments.

Ms. T. Sheehan stated she appreciated the information given by the City and County of San Francisco.

Mr. David Pilpel inquired if a state environmental review had been conducted before considering any fare increase. He expressed his concern about reductions in the budget related to hazardous waste removal, printing and graphics, holiday pay, and trolley painting/coating. Mr. Pilpel also noted that there should be a public hearing on other fare increase proposals.

Mr. George Krueger, Utilities General Counsel, replied that a fare increase is not subject to the California Environmental Quality Act.

Mr. Bobby Brown, President, Transport Worker's Union, Local 250A, spoke regarding the \$1.2 million budgeted for security and hoped that those funds would not be reduced. He also stated that the budget for printing and graphics should not be reduced because it was very necessary for distributing information to the public.

Mr. Fred Peterson, President, Transport Worker's Union, Local 200, stated that there should not be a reduction in Muni's holiday pay since some departments are already understaffed. He also concurred with Mr. Brown's comments regarding printing and graphics.

Commissioner Chin moved to increase the Adult Fast Pass to \$30 with the \$1.6 million expenditure reductions. Commissioner Toupin seconded.

On motion of Commissioner Chin, seconded by Commissioner Toupin, Resolution No. 91-0223 was adopted.

Public Hearing

Resolution No. 91-0224 - Authorizing the Assistant General Manager of Finance, Public Utilities Commission, to apply for, accept and expend \$50,000,000 of UMTA Section 3 capital assistance, including the required local match funds, for the Muni Metro Turnback project.

Resolution No. 91-0225 - Authorizing the Assistant General Manager of Finance, Public Utilities Commission, to apply for, accept, and expend \$1,751,800 of UMTA Federal Aid Urban Systems capital assistance, including the required local match funds, for the Municipal Railway's Fixed-Facilities.

President Chiesa opened the public hearing.

Mr. David Pilpel requested information on the scope of the work involved on these two items.

Mr. Samuel R. Ganczaruk remarked that the new station for the J-Line extension was not handicapped accessible and said that it was his understanding that all facilities constructed with aid from UMTA were supposed to be handicapped accessible.

Ms. Gale Bloom, Financial Planning Manager, Bureau of Finance, responded that the design decisions were actually made approximately 10 years ago before the Disability Act was adopted, therefore, it was designed that way with UMTA concurrence.

The public hearing was closed.

On motion of Commissioner Toupin, seconded by Commissioner Flynn, Resolution Nos. 91-0224 and 91-0225 were adopted.

Resolution No. 91-0241 - Denying the request to operate Z-ZOO historic streetcar service as proposed by Market Street Railway, Inc.

Mr. Johnny B. Stein, General Manager, Municipal Railway, stated that the Market Street Railway, Inc. requested that the Municipal Railway operate Z-ZOO historic streetcar service as a substitute for the Trolley Festival which could not be operated due to fiscal constraints. This service would start July 4 and operate on weekends through September 2, 1991.

Commissioner Flynn inquired as to what kind of guarantee Muni would receive to run this service. Mr. Stein responded that there was no guarantee that they would get the amount of passengers necessary to breakeven on this service. Commissioner Flynn said he could not consciously vote to approve this item due to the current budget crisis. Commissioner Flynn moved that the resolution be denied.

Mr. Samuel R. Ganczaruk stated that he had been a strong supporter of historic trolley service in San Francisco, however, he said that this particular proposal would be very expensive to the City and concurred with Commissioner's Flynn objection to this contract.

Mr. Karl Fischer, Secretary, Market Street Railway, spoke in support of running the Z-ZOO historic streetcar service. He stated that their proposal for this service was to provide a mini-trolley festival for this year without costing the City any funds.

Mr. Dave Pharr, Market Street Railway, stated that they do not have any idea on whether there would be a profit or loss in running this service but they would like the opportunity to go ahead with it knowing they might have to back out of running the service.

Mr. Pilpel spoke in support of operating the Z-ZOO historic streetcar service.

Commissioner Flynn moved, seconded by Commissioner Toupin, to deny the request to operate the Z-ZOO Line. Resolution No. 91-0241 was approved.

Public Comments

Mr. David Pilpel was of the opinion that in addition to approving the Fast Pass fare increase to \$30, staff should look to increasing the revenue from regional fares.

THEREUPON THE MEETING WAS ADJOURNED: 4:29 P.M.

Romaine A. Boldridge
Secretary

MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos
Mayor

REGULAR MEETING

Room 282, City Hall

2:00 P.M.

July 9, 1991

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COMMISSIONERS

Sherri Chiesa, President
Gordon Chin, Vice President
H. Welton Flynn
Arthur V. Toupin

DEPARTMENTS

Hetch Hetchy Project
Municipal Railway
Water Department

BUREAUS

Energy Conservation
Engineering and
Construction Management
Financial Management
Information Systems
Management Efficiency and
Productivity
Personnel and Training

Thomas J. Elzey
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 2:05 P.M.

Present: Vice President Gordon Chin, Commissioner H. Welton Flynn,
Commissioner Arthur V. Toupin

Excused: President Sherri Chiesa

On motion of Flynn, seconded by Toupin, the Minutes of the special meetings of June 17 and June 18, 1991 and the regular meeting of June 25, 1991 were approved.

A tape of the meeting is on file in the Office of the Secretary of the Public Utilities Commission.

RESOLUTION

NO.

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0249 FM Requesting the Controller to draw warrants in payment of claims against the Water Department, totalling \$66,926.44.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0250 FM Requesting the Controller to draw warrants in payment of claims against the Municipal Railway, totalling \$44,760.26.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0251 HH Accepting the work performed under Hetch Hetchy Water and Power Contract No. HH-799R, Hetch Hetchy Fuel Tank Replacement - Various Locations, as satisfactorily completed; approving Credit Contract Modification No. 3 in the amount of \$9,291.60; authorizing an extension of time for unavoidable delays of 82 calendar days; and authorizing final payment in the amount of \$500 to the Contractor, Ramcon.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0252 HH Accepting the work performed under Hetch Hetchy Water and Power Contract No. HH-806, Seal Kirkwood Powerhouse and Repair Tower Footing, as satisfactorily completed; approving Credit Contract Modification No. 2 in the amount of \$2,596.96; and authorizing final payment in the amount of \$24,899.71 to the Contractor, Gelco Services, Inc.

VOTE: Ayes - Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

- 91-0253 WD Accepting the work performed under Water Department Contract No. WD-2041, 12-Inch Ductile Iron Main Installation in Divisadero Street between Page Street and Golden Gate Avenue, as satisfactorily completed; approving Debit Contract Modification No. 1 in the amount of \$12,437.25; authorizing extension of time for unavoidable delays of 89 working days; and authorizing final payment in the amount of \$12,447.44 to the Contractor, Shaw Pipeline, Inc.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

- 91-0254 MR Approving Debit Contract Modification No. 1 in the amount of \$5,968.09 and an extension of time of 45 calendar days to Municipal Railway Contract No. MR-1007-R Curtis E. Green LRV Center Smoke and Heat Vents Rehabilitation; accepting the work performed under said contract; and authorizing final payment in the amount of \$10,112.99 to the Contractor, T & M Sheet Metal, San Francisco, CA.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

- 91-0255 MR Accepting the work performed under Municipal Railway Contract No. MR-1008 Curtis E. Green LRV Center Heating and Ventilation System Modification and Rehabilitation; and authorizing final payment in the amount of \$24,833.39 to the Contractor, Man Wah Construction Company, San Leandro, CA.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

- 91-0256 MR Rejecting all bids received on June 19, 1991 for Municipal Railway Contract No. MR-1035 Kirkland Motor Coach Facility - Security Fencing & Gates; and authorizing readvertisement of the Contract under Municipal Railway Contract No. MR-1035-R.

VOTE: Ayes - Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

- 91-0257 WD Approving terms and conditions and authorizing the execution of 50± acres, more or less, lease to Space Systems/Loral Inc., Lessee, for the purpose of Radar Range Facility (Satellite Antennae Research Test Facility) of certain land under the jurisdiction of the San Francisco Water Department, located in Santa Clara County for a term of five (5) years, commencing August 1, 1991 to and including July 31, 1996, with two (2) additional 5 year options to extend the term thereof at an initial annual rent of \$164,400.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

- 91-0258 MR Authorizing and directing the Municipal Railway to establish service on line 82X-LEVI PLAZA EXPRESS; authorizing partial discontinuance of line 30X-MARINA EXPRESS service at all times; and requesting the Board of Supervisors not to disapprove the partial discontinuance of service.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

- 91-0259 UEB Accepting the work performed under Professional Services agreement for design of emergency repairs for the Mountain Tunnel near the South Fork Siphon in Tuolumne County; approving Credit Contract Modification No. 2 in the amount of \$17,686.41; and authorizing final payment in the amount of \$16,184.37 to the Consultant, Leedshill-Herkenhoff, Inc.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

- 91-0260 UEB Authorizing the General Manager of Public Utilities to execute a Pole Attachment Agreement with Viacom Cablevision to install and maintain Cable Television cables, and related equipment on Municipal Railway poles and anchors.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

- 91-0261 UEB Authorizing the Manager of Utilities Engineering Bureau to negotiate and execute a detailed scope of work and appropriate fee for a Professional Services contract with Sedgwick/Carrie/Leong in an amount not-to-exceed \$837,000 for insurance brokerage services for the Muni Metro Turnaround Project.

VOTE: Ayes - Chin, Flynn, Toupin

RESOLUTION
NO. _____

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0262 EC Authorizing the Bureau of Energy Conservation to select Energy Management Services and to execute a Professional Services contract for \$7,000 to provide energy efficiency seminars and training for small business in Bayview Hunter's Point as part of the Bureau's Neighborhood Energy/Economic Development Project.

VOTE: Ayes - Chin, Flynn, Toupin

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

Announcement

Mr. Arnold Baker, Acting General Manager, Public Utilities, introduced Mr. Phil Chin who was recently appointed to the position of Deputy General Manager, Administration, Municipal Railway.

Resolution No. 91-0258 - Authorizing and directing the Municipal Railway to establish service on line 82X-LEVI PLAZA EXPRESS; authorizing partial discontinuance of line 30X-MARINA EXPRESS service at all times; and requesting the Board of Supervisors not to disapprove the partial discontinuance of service.

Mr. Peter Straus, Director of Service Planning, Municipal Railway, stated that both the 30X-MARINA EXPRESS and 82X-LEVI PLAZA EXPRESS currently operate parts of their routes along The Embarcadero and in the vicinity of the Northern Waterfront. Staff has proposed to combine those trips on the 30X-MARINA EXPRESS that operate between the Presidio and Howard Street with the 82X-LEVI PLAZA EXPRESS trips between the CalTrain Depot and Levi Plaza, therefore, partial discontinuance of line 30X-MARINA EXPRESS service at all times is requested. Basically, the 30X route would become an extension of the 82X route.

The proposal to combine the two current routes would enable Muni to provide more efficient service and also provide passengers with connections between the Caltrain Depot and the Presidio.

On motion of Commissioner Toupin, seconded by Commissioner Flynn, Resolution No. 91-0258 was approved.

Public Comments

Mr. David Pilpel submitted copies of his letter addressed to Mr. Johnny B. Stein, General Manager, Municipal Railway expressing his concern regarding the frequency of motor coach substitution and subway delays resulting from the replacement of wet standpipes in the subway.

Mr. Pilpel stated that if the Board of Supervisors adopts the Adult Fast Pass fare increase from \$28.00 to \$30.00, Caltrain proposes to increase the cost of the Caltrain Peninsula Pass by that same amount which would be implemented as early as August 1, 1991. He suggested that when the contract for Caltrain comes up for renewal, that staff reduce the price of the Caltrain Peninsula Pass to be equal to that charged to other regional transit operators.

THEREUPON THE MEETING WAS ADJOURNED: 2:25 P.M.

Romaine A. Boldridge
Secretary

MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos

Mayor

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REGULAR MEETING

Room 282, City Hall

2:00 P.M.

July 23, 1991

COMMISSIONERS

Sherri Chiesa, President

Gordon Chin, Vice President

H. Welton Flynn

Arthur V. Toupin

DEPARTMENTS

Hetch Hetchy Project

Municipal Railway

Water Department

BUREAUS

Energy Conservation

Engineering and
Construction Management

Financial Management

Information Systems

Management Efficiency and
Productivity

Personnel and Training

Thomas J. Elzey

GENERAL MANAGER

Romaine A. Boldridge

SECRETARY

Call to Order: 2:24 P.M.

Present: President Sherri Chiesa, Vice President Gordon Chin,
Commissioner Arthur V. Toupin

Excused: H. Welton Flynn

On motion of Chin, seconded by Toupin, the Minutes of regular meeting of July 9, 1991 were approved.

A tape of the meeting is on file in the Office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Chin, seconded by Toupin, the following resolution was adopted in Executive Session:

91-0263 FM Approving settlement of August Mueller, Superior Court Case No. 913-693.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Toupin, seconded by Chin, the following resolution was adopted:

91-0264 FM Requesting the Controller to draw warrants in payment of claims against the Municipal Railway, totalling \$58,500.00.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Toupin, seconded by Chin, the following resolution was adopted:

91-0265 FM Approving collections of charges for damages for the month of June, 1991, against the San Francisco Municipal Railway from miscellaneous debtors in the amount of \$14,354.77 and write-off compromise reductions for comparative negligence in the amount of \$1,658.27; San Francisco Water Department from miscellaneous debtors in the amount of \$1,772.53 and write-off compromise reductions for comparative negligence in the amount of \$354.66; and Bureau of Light, Heat & Power from miscellaneous debtors in the amount of \$8,925.47.

VOTE: Ayes - Chiesa, Chin, Toupin

RESOLUTION
NO.

On motion of Toupin, seconded by Chin, the following resolution was adopted:

91-0266 FM Approving collections of charges for damages for Fiscal Year 1988/89 against the San Francisco Water Department from miscellaneous debtors in the amount of \$42,396.07 and write-off compromise reductions for comparative negligence in the amount of \$6,633.64.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Toupin, seconded by Chin, the following resolution was adopted:

91-0267 WD Accepting the work performed under Water Department Contract No. WD-2063, Repaving of Street and Sidewalk Openings, as satisfactorily completed; approving Debit Contract Modification No. 10 in the amount of \$111,811.50; and authorizing final payment in the amount of \$192,336.65 to the Contractor, Stacy and Witbeck, Inc., Nationwide Construction Co., Inc. and West Bay Equipment, AJV.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Toupin, seconded by Chin, the following resolution was adopted:

91-0268 WD Authorizing the General Manager of the San Francisco Water Department to advertise and circulate a Request-for-Proposal for a water resources study of the Alameda Creek watershed and selection of a qualified consultant.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0269 UEB Authorizing the General Manager of the San Francisco Water Department to execute Amendment No. 2 to the Professional Services Agreement with Camp Dresser and McKee, Inc. for Water Quality Planning Studies extending the completion date of the Agreement to October 31, 1991.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0270 UEB Awarding San Francisco Municipal Railway Contract No. MR-892, Scott Facility Add-on, in the amount of \$95,649.30 for the Base Bid and Additive Alternative to San Luis Construction, San Francisco, CA, subject to the approval of the Board of Supervisors of an extension of time to award.

VOTE: Ayes - Chiesa, Chin, Toupin

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

Introduction of Old Business

Commissioner Chin requested that the staff analysis on the Proposal for Initiation of a Per Capita Rationing Program in San Francisco be mailed out to all interested parties prior to the July 31 and August 1, 1991 public hearings.

THEREUPON THE MEETING WAS ADJOURNED: 2:29 P.M.

Lucille Akrami
Acting Secretary

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MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos

Mayor

REGULAR MEETING

Room 282, City Hall

2:00 P.M.

August 13, 1991

COMMISSIONERS

Sherri Chiesa, President

Gordon Chin, Vice President

H. Welton Flynn

Arthur V. Toupin

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DEPARTMENTS

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Municipal Railway

Water Department

BUREAUS

Energy Conservation

Engineering and
Construction Management

Financial Management

Information Systems

Management Efficiency and
Productivity

Personnel and Training

Thomas J. Elzey

GENERAL MANAGER

Romaine A. Boldridge

SECRETARY

Call to Order: 2:10 P.M.

Present: President Sherri Chiesa, Vice President Gordon Chin,
Commissioner H. Welton Flynn

Excused: Commissioner Arthur V. Toupin

On motion of Chin, seconded by Flynn, the Minutes of regular meeting of July 23, 1991 were approved.

A tape of the meeting is on file in the Office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Flynn, seconded by Chin, the following resolution was adopted in Executive Session:

91-0271 FM Approving settlement of litigation Jeffery Allen Tripp v. City and County of San Francisco, et al., Superior Court Case No. 881-551.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0272 FM Requesting the Controller to draw warrants in payment of claims against the Municipal Railway, totalling \$18,500.00.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0273 GM Accepting on behalf of the City and County of San Francisco the gift of a public address (sound) system for use in Room 282, City Hall, having a market value of less than \$1,500.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0274 WD Awarding San Francisco Water Department Contract No. WD-2065, 12-Inch Ductile Iron Main Installation in Lombard, Powell, Union and Stockton Streets from Jones and Green Streets, in the net amount of \$347,720 to P & J Utility Co., San Francisco, CA.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0275 WD Approving the plans and specifications as prepared and recommended by staff, and authorizing Bid Call for San Francisco Water Department Contract No. WD-2079, 8-Inch Ductile Iron Main Installation in Rivera Street, 38th to 41st Avenues, and various locations on Pacheco Street, and 35th, 37th, 39th, 41st and 42nd Avenues.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0276 MR Accepting the work performed under San Francisco Municipal Railway Contract No. MR-875, No. 14 Mission Line Overhead Reconstruction, as satisfactorily completed; approving Debit Contract Modification No. 5 in the amount of \$21,045.57; authorizing an extension of time of 28 calendar days; and authorizing final payment in the amount of \$205,000 to the Contractor, Kingston Constructors, Inc.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0277 MR Approving the plans and specifications as prepared and recommended by staff, and authorizing Bid Call for San Francisco Municipal Railway Contract No. MR-1039, Curtis E. Green Light Rail Facility, Geneva Site - Maintenance Building, Paint Booth Fans Modification.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0278 MR Designating Tuesday, September 10, 1991 at 2:00 p.m. in Room 282, City Hall, San Francisco, CA, as the date, time, and place for a hearing by the Public Utilities Commission for considering amendments to the Municipal Railway Fare Schedule pertaining to Regional Transfer Agreements.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0279 WD Designating Tuesday, October 8, 1991, at 2:00 p.m., in Room 282, City Hall, San Francisco, CA and Tuesday, October 15, 1991, at 7:00 p.m., at a location to be determined, as the date and time for public hearings to consider a per capita rationing plan for San Francisco.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0280 PM Approving the Non-Civil Service and Temporary appointments and removals as indicated on the Temporary Employment Activity Roster, for the month of June, 1991.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0281 GM Requesting the Board of Supervisors' approval to contract uniformed security guard services for the Public Utilities Commission for Fiscal Year 1991/92.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0282 WD Approving Amendment No. 3 to the agreement with the State Department of Water Resources to increase funding for the San Antonio Turnout to cover design and construction changes totalling \$250,000, for a total project amount not-to-exceed \$950,000.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0283 WD Authorizing the General Manager of the Water Department to enter into a temporary operating and maintenance agreement with the State Department of Water Resources (DWR) for a temporary connection at the Sunol/Blowoff Turnout.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0284 HH Authorizing the General Manager of Hetch Hetchy Water & Power to execute a Natural Gas Supply Agreement with the State of California for the purpose of purchasing natural gas from August 1, 1991 through June 30, 1993.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0285 HH Authorizing the Director of Property and the General Manager of Hetch Hetchy Water & Power to grant two access easements in the County of San Joaquin to Connolly Ranch, Inc. for \$5,000 for pedestrian and vehicular ingress and egress.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

- 91-0286 HH Authorizing the General Manager of Hetch Hetchy Water & Power to negotiate and execute Modification No. 1 to the agreement with Bookman-Edmonston Engineering and to negotiate and execute a separate agreement with Manna Consultants to increase their funding by \$100,000 and \$50,000 respectively for this fiscal year for computer modeling and hydrological analysis.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Chin, seconded by Flynn, the following resolution was adopted:

- 91-0287 MR Directing the Municipal Railway to implement changes in Owl service between the hours of 1:00 a.m. to 5:00 a.m.; authorizing partial discontinuance of service on the J-CHURCH, K-INGLESIDE, N-JUDAH, 15-THIRD, 31-BALBOA, 45-UNION/STOCKTON, and 90-OWL lines; and establishing service at 30-minute intervals on the L-TARAVAL, N-JUDAH, 5-FULTON, 14-MISSION, 22-FILLMORE, 24-DIVISADERO, 38-GEARY, 90-OWL, and 92-OWL lines.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

- 91-0288 MR Rejecting all bids for San Francisco Municipal Railway Contract No. MR-1034, Procurement and Installation of an Advanced Train Control System.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Chin, seconded by Flynn, the following resolution was adopted:

- 91-0289 UEB Approving an extension to the existing lease of 37,805 square feet of office space at 1155 Market Street for a term of 5 years, commencing on September 1, 1991 for the Utilities Engineering Bureau and Hetch Hetchy Water & Power.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

- 91-0290 FM Authorizing the General Manager of Public Utilities to extend Muni's participation in the following regional transfer agreements: 1) BART Plus Pass; 2) BART Plus Premium Pass; 3) Golden Transit Bus Service/Muni Transfer Sticker; 4) AC Transit Transbay/Muni Transfer Sticker; 5) BART/Muni Cash Transfers; 6) Vallejo Ferryboat Service; 7) Golden Gate Ferry Transfers; and 8) AC Transit/Oakland-Alameda Ferry/Muni, under the terms stipulated in the Municipal Railway Fare Schedule, effective from July 1, 1991.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0291 PM Honoring and commending Keith E. Bunch for his many outstanding accomplishments over 19 years of dedicated service to the people of the City and County of San Francisco; and extending best wishes for a long and happy future on the occasion of his retirement.

VOTE: Ayes - Chiesa, Chin, Flynn

On motion of Flynn, seconded by Chin, the following resolution was adopted in Executive Session:

91-0292 Approving settlement of litigation Hong, et al. v. City and County of San Francisco, et al., Superior Court No. 849-492, and Bauer, et al. v. City and County of San Francisco, et al., Superior Court No. 850-444.

VOTE: Ayes - Chiesa, Chin, Flynn

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

Announcement

President Chiesa announced that the Commission met in Executive Session on August 13, 1991 and approved the settlement of Jeffery Allen Tripp v. City and County of San Francisco, et al, Superior Court Case No. 881-551.

Resolution No. 91-0287 -- Directing the Municipal Railway to implement changes in Owl service between the hours of 1:00 a.m. to 5:00 a.m.; authorizing partial discontinuance of service on the J-CHURCH, K-INGLESIDE, N-JUDAH, 15-THIRD, 31-BALBOA, 45-UNION/STOCKTON, and 90-OWL lines; and establishing service at 30-minute intervals on the L-TARAVAL, N-JUDAH, 5-FULTON, 14-MISSION, 22-FILLMORE, 24-DIVISADERO, 38-GEARY, 90-OWL, and 92-OWL lines.

Mr. Peter Straus, Director of Planning, Municipal Railway, gave a presentation on the proposed revision of the Municipal Railway's Owl services between the hours of 1:00 a.m. and 5:00 a.m. He stated that the current proposal to modify the Owl service was initiated basically because of the electrification of the 31-BALBOA line from a diesel coach to a trolley coach line. Upon examination, staff found that the 31-BALBOA Owl service had very light ridership and was the most lightly travelled Owl line. Consequently, this led staff to study the Owl service structure more comprehensively in an effort to redistribute Owl service to cover the City more evenly, particularly to provide better service in the outer neighborhoods.

Mr. Straus stated that staff held four public meetings to present the proposal for Owl service revisions to the public. One of the main concerns expressed by the public was that half hour service was extremely desirable and that hourly service was less useful to riders. He said that on a per bus basis, the half hourly Owl lines were used more frequently than the hourly buses. As a result, staff reexamined the Owl service structure and decided to offer half hour service on all the lines.

Mr. Samuel R. Ganczaruk commented that his neighborhood was affected by the proposed Owl service changes. He highlighted some of his objections with regard to the Owl service revisions, which included: 1) dropping the N-JUDAH line from lower Haight Street, 2) the lack of a transfer point on the 24-line, 3) the operation of the 91-line, which in his opinion, would be difficult and expensive to operate since it would require a very large number of buses, and 4) the discontinuance of the K-line.

Mr. Norman Rolfe, representing San Francisco Tomorrow, stated that during the Owl service period timed transfers were not being observed, and that he was concerned whether this proposal would guarantee that timed transfers would be observed. Mr. Rolfe urged the Commission to consider improving street supervision and driver training in order to make sure the drivers would wait for their connections.

Mr. Marvis J. Phillips spoke in opposition to the discontinuance of the 31-BALBOA line. As a result of this change, senior citizens and handicapped passengers using late night Owl service would be forced to walk through the tenderloin neighborhood to take the 5-line.

Mr. David Pilpel echoed several of Mr. Samuel R. Ganczaruk's comments. Mr. Pilpel stated that the connection at West Portal was currently operating on time but was concerned that delays would result from the proposed revisions to Owl service. Additionally, he was of the opinion that the 91-line was too long and that the buses would have difficulty in maintaining their schedules thus affecting the timed transfer system. Mr. Pilpel said that additional effort should be made to insure that operators stay on schedule, especially during Owl service.

Mr. Straus stated that in staff's earlier proposal the 91-line was not considered. But after several public meetings, the public expressed a desire for half hourly service which was reflected by the patterns of ridership observed by staff. Also, due to constraints of constant resources, there were no new resources to put into the proposed package of Owl services. He said that by through routing the pieces of the 91-line, staff was able to save a bus over operating the pieces separately and that made half hour service feasible.

With respect to timed transfers, staff's experience was that most of the timed transfers that presently are made do tend to work. He stated that timed connections will be offered at several major transfer points during the Owl service period to enable easier transfers between lines.

The principle of discontinuing service on the 31-BALBOA Owl line was discussed with the Municipal Railway Elderly and Handicapped Advisory Committee and they had no objection to discontinuing service on the 31-BALBOA Owl line. Mr. Straus noted that the issue of handicap accessibility, in general, was also discussed with the Committee. He said that staff was presently exploring various options to maintain accessibility on the 31-line.

Commissioner Chin asked what priorities would rank the highest if additional resources were available during the Owl service periods.

Mr. Straus responded that the highest priority would be to implement the half hourly service. Also, he said he would like to have an additional bus to guarantee the viability of the 91-line, whether it would be an additional bus to put more time in the schedule or to break the route apart. He further stated that to use resources to continue service on the 31-BALBOA would be of low priority since the ridership during Owl service periods was very low.

On motion of Commissioner Chin, seconded by Commissioner Flynn, Resolution No. 91-0287 was adopted.

President Chiesa requested that after the Owl service changes have been implemented, staff report back in three months on how the new structure is working.

Public Comments

Mr. David Pilpel requested that Muni staff respond to his letters relating to passenger service reports and service quality, the 31-BALBOA electrification, and motor coach substitution and subway construction delays.

Mr. Pilpel commented on the subway construction. He stated that he was concerned about closing the Church and Castro stations for a 10-day period, which would inconvenience many passengers, especially during rush periods. Since Castro is a major boarding location he felt that the construction there should be done over the weekends when passenger inconvenience is minimized.

Mr. Pilpel requested an updated schedule on the PUC annual report that is being prepared.

Mr. Peter Erlich, a Muni Metro streetcar operator, commented on the rash of vandalism incidents occurring in recent months along the N-JUDAH line, particularly in the vicinity of 46th Avenue and Judah. He said windows were regularly being kicked out of the streetcars. He requested an increase in security, particularly in the Ocean Beach area.

Ms. Leatrice Remo spoke about the service on the 54-FELTON Line and the difficulty she was having in getting to her graveyard shift job at the Bank of America. She said she previously brought this matter before Muni and the Commission but the problem still existed. Some of the drivers were not following the Silver Terrace Loop route as scheduled.

Commissioner Flynn requested Muni staff to look into the matter.

Mr. Samuel R. Ganczaruk suggested that the Commission review its consideration of the 91 Line and possibly look at an alternate crosstown service, particularly operating the 43-MASONIC Line 24 hours. He also suggested a thorough review of all existing and proposed Municipal Railway services to ascertain the need for projected changes, and that public hearings be held during the calendar year 1992 on any proposed changes.

THEREUPON THE MEETING WAS ADJOURNED: 3:38 P.M.

Romaine A. Boldridge
Secretary

91
MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos
Mayor

REGULAR MEETING

Room 282, City Hall

2:00 P.M.

August 27, 1991

COMMISSIONERS

Sherri Chiesa, President
Gordon Chin, Vice President
H. Welton Flynn
Arthur V. Toupin

DOCUMENTS SEPT.

SEP 9 1991

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DEPARTMENTS

Hetch Hetchy Project
Municipal Railway
Water Department

BUREAUS

Energy Conservation
Engineering and
Construction Management
Financial Management
Information Systems
Management Efficiency and
Productivity
Personnel and Training

Thomas J. Elzey
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 2:10 P.M.

Present: President Sherri Chiesa, Vice President Gordon Chin,
Commissioner Arthur V. Toupin

Excused: Commissioner H. Welton Flynn

On motion of Toupin, seconded by Chin, the Minutes of regular meeting of August 13, 1991 were approved.

A tape of the meeting is on file in the Office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0293 FM Requesting the Controller to draw warrants in payment of claims against the Municipal Railway, totaling \$70,000.

VOTE: Ayes - Chiesa, Chin, Toupin.

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0294 FM Requesting the Controller to draw warrants in payment of claims against the San Francisco Water Department, totaling \$22,174.06.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0295 FM Approving collection of charges for damages for the month of July 1991, against the San Francisco Municipal Railway from miscellaneous debtors in the amount of \$11,838.65 and write-off compromise reductions for comparative negligence in the amount of \$1,376.92; San Francisco Water Department from miscellaneous debtors in the amount of \$3,233.62; and Bureau of Light, Heat & Power from miscellaneous debtors in the amount of \$9,997.32 and write-off compromise reductions for comparative negligence in the amount of \$200.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0296 WD Awarding San Francisco Water Department Contract No. WD-2095, Pilarcitos Forebay - Repair Walkway and Sluice Gates, in the amount of \$106,369 to Valentine Corporation, Contractor.

VOTE: Ayes - Chiesa, Chin, Toupin

RESOLUTION
NO. _____

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0297 WD Accepting the work performed under San Francisco Water Department Contract No. WD-2050, Clean and Coat 36-Inch, 48-Inch and 60-Inch Mains at Lake Merced and Caltrans District Yard, as satisfactorily completed; approving Credit Modification No. 2 in the amount of \$2,733; authorizing an extension of time for unavoidable delays of 37 working days; and authorizing final payment in the amount of \$12,128.35 to Eligom International Construction, Contractor.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0298 HH Accepting the work performed under Hetch Hetchy Water and Power Contract No. HH-773, San Joaquin Pipeline No. 3, Repair Mortar Lining, as completed, and approving Credit Contract Modification No. 3 in the amount of \$240,408.59; Spiniello Construction Company and Arvie and Sons Construction, a Joint Venture, Contractor.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0299 MR Accepting the work performed under San Francisco Municipal Railway Contract No. MR-879, No. 33 Stanyan Line - Trolley Coach Overhead Reconstruction, as satisfactorily completed; approving Credit Contract Modification No. 1 in the amount of \$88,753.93; authorizing an extension of time for unavoidable delays of 40 calendar days; and authorizing final payment in the amount of \$206,451.32 to Abbett Electric Corporation and Yick Electric Company, AJV, Contractor.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0300 PT Approving the Non-Civil Service and Temporary appointments and removals as indicated on the Temporary Employment Activity Roster, for the month of July, 1991.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Toupin, seconded by Chin, the following resolution was adopted:

91-0301 MR Approving an extension of time until December 31, 1991, to the Agreement between the City and County of San Francisco and Western Security Bureau, Inc., to provide investigative services.

VOTE: Ayes - Chiesa, Chin, Toupin

RESOLUTION
NO.

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0302 MR Authorizing the Municipal Railway to enter into an arrangement with Del Monte Corporation to underwrite all three cable car lines on September 20, 1991 for \$33,500, allowing free rides all day, in conjunction with its 100th anniversary.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Toupin, seconded by Chin, the following resolution was adopted:

91-0303 MR Authorizing the Municipal Railway to join with other Regional Transit Association operators in providing 56 free regional transit passes for unlimited rides on Bay Area transit systems, including the Municipal Railway, from November 1, 1991 through October 31, 1992, as part of the KPIX Television, KCBS Radio and SF Examiner Newspaper 1991 "Beat the Backup" promotion.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Toupin, seconded by Chin, the following resolution was adopted:

91-0304 UEB Authorizing the Manager of Utilities Engineering Bureau to execute Amendment No. 1 to the Professional Services agreement with Kennedy, Jenks, Chilton, Inc. to perform additional engineering design and construction support services - San Andreas Pipeline No. 3 Rehabilitation, in an amount not to exceed \$111,000.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0305 PT Commending Diana E. Buchbinder for her dedication and service to the City and County of San Francisco, and extending best wishes upon her resignation to become the Labor Negotiator for King County, Seattle, Washington.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0306 PT Commending John G. Marquez for his dedication and service to the Public Utilities Commission, and extending congratulations and best wishes on his promotion to Affirmative Action Coordinator with the Department of Public Works.

VOTE: Ayes - Chiesa, Chin, Toupin

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

New Business

Crystal Springs Golf Course

Commissioner Chin inquired about the recent resolution passed by the Board of Supervisors regarding the Crystal Springs Golf Course. He requested a copy of the resolution and a response from staff on its effect, whether it is binding, and how such a land use study would be funded.

Mr. Thomas Elzey, General Manager of Public Utilities, responded that the resolution has been transmitted to the Mayor and that staff is waiting for the Mayor's action, at which time a report will be prepared.

Report of the General Manager

Muni Security

Mr. Elzey commented on the issue of Muni security. He stated that a report dealing with security problems, how we are deploying forces, and funding would be presented to the Commission at the next meeting.

Construction in Muni Metro Subway

Mr. Elzey stated that the construction was causing some problems, particularly around Castro Street and the Embarcadero Diamond, and that steps were being taken to better inform passengers regarding the situation. Additional staff was being deployed to provide direct assistance to passengers, and the number of shuttle buses was being increased.

Mr. Johnny Stein, General Manager, San Francisco Municipal Railway, briefly described the construction phase of the Castro Street crossover which will be attached to the new automatic train control system being installed in a couple of years and which will allow more trains in the subway during peak periods, especially for heavy loading points such as Castro. He stated that the Monday and Wednesday delays were caused by loss of power from the feeders at Castro and 17th Streets and power problems at the Embarcadero Diamond. Shuttle buses were utilized during the service disruptions. He said shuttle buses were also being used during the morning rush period to go outbound on the K-L-M Line from West Portal and streetcars were being switched back at West Portal inbound, greatly increasing the service capacity.

Commissioner Toupin suggested, when major construction projects are anticipated affecting a large number of passengers, that staff consider some form of advance communication so that the public will be better informed; also, that the work be done on weekends and at night if possible, rather than disrupting service during peak hours.

Mr. Stein stated that the public was notified by 50,000 notices dispersed in Metro stations and streetcars two weeks prior to the closing but unfortunately the contractor delayed start of construction; also, there were two press releases and a special article in the Chronicle informing the public that Muni was undertaking this project. Due to the magnitude of this project, this particular area at Castro had to be closed at some point in order to do the work. An attempt was made to do the work at night and on weekends but it was not feasible. Also, a time constraint was involved. Muni had to spend the grant money by September 30, 1991, the fiscal year closing for the Federal government, or lose it. He said the work was scheduled for completion on August 30 but from all preliminary reports it may go through the weekend.

Public Comments

Mr. James Bryant, Trustee, United Public Employees Local 790, and Muni station agent, spoke in reference to recent assaults, inadequate staffing and general health and safety of station agents. He said the main issue was the fact that there had been an agreement between the General Manager of PUC and the Union to put 3 additional station agent positions in the 1991-92 budget. This had been done at the PUC level but the positions were later deleted by the Mayor's office. The Union had asked for reinstatement. In the interim, 3 more assaults had occurred. One, he said, was directly the result of not having a secondary agent. In the case of the assault at the Presidio building, the security person could not respond to the call for assistance because he was not allowed to leave his station. Mr. Bryant said the issue of safety and renovation of the booths has been ongoing but has not come to fruition.

President Chiesa stated that the Commission was very concerned when the issue of the need for more station agents was first raised and that the Commission responded by adding the positions in the budget but the Mayor's office eliminated them. Now there is nothing the Commission can do. She said the entire security issue was being looked into by staff.

Mr. Charles Richardson, Chief, Protective Services and Investigation, PUC, stated that approximately 22 SFPD officers were assigned to the Municipal Railway and 5 of those were assigned to the Metro systems. Beginning in September there will be a total of 28 officers. The additional officers will be assigned to the 54 Line and other trouble areas. There have been 3 assaults on station agents this year compared to 51 assaults on Muni operators in the month of June.

Mr. Bryant questioned the actual hours of security in the Metro stations and said that the officers worked only one day a week on Thursday. Mr. Richardson responded that ideally he would like to see coverage 24 hours a day, 7 days a week, throughout the whole Muni system but he only had X amount of dollars. The officers work in overtime 4-hour shifts and are assigned on a daily basis where most needed.

Commissioner Toupin emphasized that the security of Muni staff and patrons should have the highest priority and funds should be found in less important areas to fund the program. Mr. Elzey responded that the \$1,050,000 in this year's budget for the security program was new money from items cut earlier in other areas.

Commissioner Chin suggested reviewing budgets during the year and looking at all issues at once rather than one at a time so that supplementals or other items can be considered altogether.

Ms. Jano Oscherwitz, Field Representative, United Public Employees Local 790, concurred with James Bryant's concerns and asked that supplementary money be found to reinstate the 3 additional positions.

Ms. Claire Zvanski, Vice President, United Public Employees Local 790 and Muni employee, described the Presidio assault of a Union member and the supervisor that came to her aid. She said the security person did not respond to the call for assistance because it was not his job and he could not leave his station, and that he did not call 911. She asked that the issue of safety and security be addressed so further assaults are prevented.

Mr. Richardson responded that the private security officer is responsible for monitoring the burglary, robbery and panic alarms for the whole PUC and he is under orders from the General Manager not to leave his station unless it is a matter of life or death. When the call for assistance came in, the security officer did dial 911, and did call Central Control and the PUC Security Office. The police and Mr. Richardson's office responded.

Mr. David Pilpel stated he was still experiencing dissatisfaction with Muni service during the construction currently in progress.

Mr. Pilpel made another request that Muni staff respond to his letters relating to passenger service reports and service quality, the 31-BALBOA electrification, motor coach substitution and subway construction delays. Mr. Elzey replied that a response would be forthcoming in a week.

Mr. Pilpel inquired why the galvanized steel trolley poles that were installed during the overhead lines construction work had not been painted. Mr. Elzey replied that staff would furnish this information.

Mr. Pilpel referred to the Early Retirement measure that will be on the November ballot. He wondered if PUC was beginning to plan ahead in this regard as he felt, if the measure passed, that there would be a mass exodus from City service, affecting many departments including ours.

THEREUPON THE MEETING WAS ADJOURNED: 3:05 P.M.

Romaine A. Boldridge
Secretary

MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos

Mayor

REGULAR MEETING

Room 282, City Hall

2:00 P.M.

September 10, 1991

COMMISSIONERS

Sherri Chiesa, President

DOCUMENTS DEPT.

Gordon Chin, Vice President

SEP 23 1991

H. Welton Flynn

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Arthur V. Toupin

DEPARTMENTS

Hetch Hetchy Project

Municipal Railway

Water Department

BUREAUS

Energy Conservation

Engineering and
Construction Management

Financial Management

Information Systems

Management Efficiency and
Productivity

Personnel and Training

Thomas J. Elzey

GENERAL MANAGER

Lucille Akrami

ACTING SECRETARY

Call to Order: 2:09 P.M.

Present: Vice President Gordon Chin, Commissioner H. Welton Flynn,
Commissioner Arthur V. Toupin

Excused: President Sherri Chiesa

On motion of Toupin, seconded by Flynn, the Minutes of regular meeting of August 27, 1991 were approved.

RESOLUTION
NO.

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0307 MR Amending the fare schedule for Municipal Railway regional passes/transfers.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0308 MR Authorizing the General Manager of Public Utilities to enter into an agreement with the San Mateo County Transit District (SamTrans) to sell monthly Muni transfer stickers to SamTrans bus patrons for \$24 per month, effective October 1, 1991.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0309 FM Requesting the Controller to draw warrants in payment of claims against the Municipal Railway, totalling \$70,000.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0310 WD Accepting the work performed under San Francisco Water Department Contract No. WD-2034, 8-Inch Ductile Iron Main Installation in Folsom Street between 17th and Army Streets, as satisfactorily completed; approving Debit Contract Modification No. 1 in the amount of \$3,005.60; authorizing an extension of time for unavoidable delays of 44 working days; and authorizing final payment in the amount of \$391.03 to the Contractor, Bay Pacific Pipelines, Inc.

VOTE: Ayes - Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0311 GM Authorizing the General Manager of Public Utilities to amend the contract with Harding Lawson Associates, increasing the amount from \$300,000 to \$600,000 for environmental consulting work for the Municipal Railway, Water Department, and Hetch Hetchy Water and Power.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0312 MR Supporting the efforts of the Pacific Coast Chapter of The Railway and Locomotive Historical Society to improve the museum and to raise \$1,000,000 from private sources; requesting an \$800,000 building improvement grant from the San Francisco Municipal Railway Improvement Corporation; and authorizing the General Manager of Public Utilities to execute an amendment to the current Cable Car Barn Museum concession and space use agreement with the Society extending the agreement for eighteen (18) months, until March 31, 1993.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0313 MR Requesting the Mayor to request and recommend to the Board of Supervisors a supplemental appropriation of up to \$17,671 to fund the position of 1771 Media Production Specialist on an as-needed basis to assist in the production of transit related video programs.

VOTE: Ayes - Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0314 UEB Authorizing the Manager of Utilities Engineering Bureau to execute Amendment No. 2 with Corrosion Engineering and Research Co. in an amount not-to-exceed \$308,146 for the performance of Cathodic Protection Studies of Crystal Springs Pipeline No. 2.

VOTE: Ayes - Chin, Flynn, Toupin

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

Old Business

Commissioner Flynn asked that staff respond to the Charles Houston Bar Association letter dated September 4, 1991 regarding the survey of legal expenditures. He also requested that staff respond to the allegations made by a passenger on the 54-line and that a thorough investigation regarding these allegations be made. Mr. Elzey responded that a series of investigations on the 54-line have already been initiated and that staff would report back to the Commission on their findings.

Report of the General Manager

Golf Course/Watershed Master Plan

Mr. Thomas J. Elzey, General Manager, Public Utilities Commission, stated that the Mayor had signed the resolution presented by the Board of Supervisors suggesting that a Watershed Master Plan be developed for the San Francisco Peninsula Watershed before an environmental impact review could advance on the proposed golf course. Mr. Elzey explained how staff intends to move forward with the Watershed Master Plan. He highlighted: 1) the project objectives of the plan; 2) the scope of work to be performed; 3) the staffing that would be needed to direct the project; and 4) the costs that would be incurred for the remainder of this fiscal year. Mr. Elzey stated that a request-for-proposal on the proposed Watershed Master Plan would be forthcoming by the first meeting in October.

Mr. Elzey stated that the estimated cost of this project would be approximately \$350,000 -- \$250,000 towards planning efforts and \$100,000 towards staffing efforts.

Commissioner Chin said that he hoped that all interested parties would be well informed on the scope of the RFP.

Commissioner Flynn stated that no portion of the funds be used to reimburse San Mateo County for costs incurred by them involving the golf course.

Security

Mr. Elzey referred to his memorandum of September 10, 1991 to the Commission reviewing the details of deployment of the San Francisco Police Department on Muni lines.

Mr. Elzey stated that as of September 1, 1991 there would be 22 Police Officers, 5 Sergeants and one Lieutenant assigned to cover all Muni lines. The hours of deployment are from Monday - Friday with shifts from 2:30 p.m to 2:00 a.m. Also, since September 1, 1991, the number of officers assigned to the 54-line had been increased by 6 officers and two Sergeants.

Commissioner Toupin asked if these deployments were used only for the security of the Municipal Railway. Mr. Elzey responded that the police officers assigned work only for the security of the Municipal Railway.

Public Hearing

Resolution No. 91-0307 -- Amending the fare schedule for Municipal Railway regional passes/transfers.

Resolution No. 91-0308 -- Authorizing the General Manager of Public Utilities to enter into an agreement with the San Mateo County Transit District (SamTrans) to sell monthly Muni transfer stickers to SamTrans bus patrons for \$24 per month, effective October 1, 1991.

Ms. Michelle N. Witt, Acting Finance Director, explained that there were two resolutions being proposed. The first resolution would make several amendments to the Municipal Railway Fare Schedule and the second would authorize the General Manager of Public Utilities to enter into an agreement with SamTrans to implement the proposed change to the Fare Schedule.

Commissioner Chin invited public comments. There were none. The public hearing was closed.

On motion of Commissioner Toupin, seconded by Commissioner Flynn, Resolution Nos. 91-0307 and 91-0308 were approved.

Resolution No. 91-0311 -- Authorizing the General Manager of Public Utilities to amend the contract with Harding Lawson Associates, increasing the amount from \$300,000 to \$600,000 for environmental consulting work for the Municipal Railway, Water Department, and Hetch Hetchy Water and Power.

Mr. Larry James, Project Manager, Hetch Hetchy Water & Power, stated that in January 1990, the Public Utilities Commission entered into a three-year contract in the amount of \$300,000 with Harding Lawson Associates to perform environmental consulting work. Mr. James remarked that in addition to the current projects underway, many projects are expected to be proposed during the term of the contract, which are yet unidentified. He stated that in order to accomplish this future work, the existing contract would have to be amended to increase the authority to expend under the terms of the contract from \$300,000 to \$800,000.

Commissioner Flynn moved that the resolution be amended from \$300,000 to \$600,000. Commissioner Toupin seconded.

On motion of Commissioner Flynn, seconded by Commissioner Toupin, Resolution No. 91-0311 was approved.

Item No. 11 -- Adopting the San Francisco Municipal Railway Short-Range Transit Plan and Capital Improvement Program for 1991/2000. (Continued to the meeting of September 24, 1991)

Mr. Bruce Bernhard, Supervising Fiscal Officer, Bureau of Finance, gave a brief presentation on the San Francisco Municipal Railway Short-Range Transit Plan and Capital Improvement Program for 1991/2000. He stated that the Municipal Railway is required by the Metropolitan Transportation Commission (MTC) each year to prepare this document which describes Muni's short-range and long-range goals and objectives, capital and operating programs recommended, and identification of capital requirements and operating resources needed to support the plan recommendations.

Mr. Bernhard stated that there were four potential changes to the plan that were discussed with the Commission at the June 25, 1991 Commission meeting, which were: 1) modifications to the goals and objectives; 2) inclusion of a new section in Chapter 4 describing Muni's facilities maintenance program; 3) incorporation in Chapter 7 of the analysis required by Title VI of the federal Civil Rights Act; and 4) prioritization of capital projects.

Commissioner Flynn requested that the item be put over to the next meeting of September 24, 1991. He felt the package was received too late and requested that in the future documents of this size be submitted to the Commission in sufficient time for review. Commissioner Chin concurred with Commissioner Flynn's comments and requested that an Executive Summary of the document be furnished stating the key issues.

THEREUPON THE MEETING WAS ADJOURNED: 3:15 P.M.

Lucille Akrami
Acting Secretary

MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos

Mayor

REGULAR MEETING

Room 282, City Hall

2:00 P.M.

September 24, 1991

COMMISSIONERS

Sherri Chiesa, President

Gordon Chin, Vice President

H. Welton Flynn

Arthur V. Toupin

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DEPARTMENTS

Hetch Hetchy Project

Municipal Railway

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BUREAUS

Energy Conservation

Engineering and
Construction Management

Financial Management

Information Systems

Management Efficiency and
Productivity

Personnel and Training

Thomas J. Elzey

GENERAL MANAGER

Romaine A. Boldridge

SECRETARY

Call to Order: 2:20 P.M.

Present: President Sherri Chiesa, Vice President Gordon Chin,
Commissioner H. Welton Flynn, Commissioner Arthur V. Toupin

On motion of Flynn, seconded by Chin, the Minutes of the regular meeting of September 10, 1991 were approved.

A tape of the meeting is on file in the Office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

By Common Consent, the following resolution was adopted:

91-0315 In memoriam of Joseph P. Byrne, former Commissioner, and extending sympathy to his wife, relatives and friends.

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0316 MR Requesting the Controller to draw warrants in payment of claims against the Municipal Railway, totalling \$20,000.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0317 WD Requesting the Controller to draw warrants in payment of claims against the Water Department, totalling \$23,500.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0318 FM Approving collection of charges for damages for the month of August 1991, against the San Francisco Municipal Railway from miscellaneous debtors in the amount of \$14,703.11; San Francisco Water Department from miscellaneous debtors in the amount of \$1,104.65; and Bureau of Light, Heat & Power from miscellaneous debtors in the amount of \$130.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0319 WD Approving Debit Contract Modification No. 2 in the amount of \$152,681 to the San Francisco Water Department Contract No. WD-2060, San Andreas Water Treatment Plant Expansion No. 2, to the Contractor, S. J. Amoroso Construction Co., Inc./Verrett Construction Company, Inc.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0320 WD Authorizing the Director of Property to effect an exchange of property between the Public Utilities Commission (the South Basin of Balboa Reservoir and air rights over the North Basin) and San Francisco Community College District (property located at 17th and Folsom Streets).

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0321 WD Authorizing the General Manager of the Water Department to advertise and circulate to prospective consultants a Request-For-Proposal for professional services to prepare a water resources use study of Lake Merced and contiguous groundwaters.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0322 WD Authorizing the General Manager of the Water Department to negotiate and execute a professional services agreement with EQE Engineering for an amount not-to-exceed \$100,000 for preparation of an Emergency Response Plan.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Toupin, seconded by Chin, the following resolution was adopted:

91-0323 MR Adopting the San Francisco Municipal Railway Short-Range Transit Plan and Capital Improvement Program for 1991/2000.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0324 MR Authorizing and directing the Municipal Railway to establish service on line 33-STANYAN between 16th and Folsom Streets and 18th and Mission Streets; establishing non-stop service on selected trips of line 38L-GEARY LIMITED between the Transbay Terminal and the Caltrain Depot during the rush hours to connect with selected reverse peak trains now operated by Caltrain; and authorizing partial discontinuance of 33-STANYAN service at all times on 18th Street, Folsom Street, and South Van Ness Avenue between 16th and Folsom Streets and 18th and Mission Streets.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0325 MR Awarding San Francisco Municipal Railway Contract No. MR-1026 Presidio Trolley Coach & General Office Facility - Rehabilitate HV System of the General Administrative Office, in the amount of \$168,168 to T & M Sheet Metal Company, San Francisco; and requesting the Board of Supervisors to approve extension of the 30-day limit by 111 additional days to award this contract.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0326 UEB Authorizing the Utilities Engineering Bureau to request proposals for and recommend the selection of two engineering firms to provide engineering and construction related services on an "as-needed" basis, for a period of twenty-four (24) months at a cost not-to-exceed \$150,000 for federally funded projects and \$200,000 for City funded projects.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0327 FM Authorizing the Assistant General Manager, Finance to execute a Professional Services Contract between the City and County of San Francisco and Smith Dawson Associates, Inc. as a federal agency liaison on a month-to-month basis for a period not-to-exceed 12 months, and expires on June 30, 1992 at a payable rate of \$150 per hour with a total contract cost not-to-exceed \$55,000.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

New Business

Commissioner Flynn requested that the Public Utilities Commission adopt a resolution in memoriam of Joseph P. Byrne, who served as a member of the Public Utilities Commission from 1972 to 1978.

By Common Consent, the resolution was adopted.

Report of the General Manager

PUC Accomplishments for 1990/91

Mr. Thomas J. Elzey, General Manager, Public Utilities Commission, referred to his memorandum to the Mayor dated September 19, 1991 regarding PUC Accomplishments for 1990/91. He specifically noted improvements in: 1) the diversity of the workforce; 2) contracts issued to minority and women-owned businesses; 3) regional cooperative agreements; 4) the efficiency and effectiveness of Muni; and 5) the great headway made with regards to the graffiti problem. Mr. Elzey also noted how well staff met several major challenges with regard to managing the affects of the drought on San Francisco and Bay Area customers. Lastly, he stated that staff had done many significant things to begin preparing for the 21st century with regard to the issues of transportation within San Francisco, planning for improvements to Muni service and facilities and obtaining additional Muni equipment, seeking additional sources of future water supply and securing PUC's water rights.

In reference to the 1990/91 accomplishments, Mr. Elzey brought up an issue that had been raised in the media regarding travel. He said that the media did not focus on what was accomplished, particularly the trips to Washington D.C., where he testified before the House Appropriations Subcommittee regarding the Surface Transportation Act and San Francisco's transportation needs; met with Congresswoman Pelosi, Congresswoman Boxer, the staff of Congressman Edwards and Congressman Campbell, and members of the staff of the House Energy and Commerce Committee on various issues. He also met with members of the Senate Committee on Energy and Natural Resources around Federal Energy Regulatory Commission (FERC) issues and met with Standard & Poor's and Moody's to discuss PUC's bond rating. He said for the press to trivialize these trips by making issues about smaller things takes away and obscures the real accomplishments that were achieved and why these trips were necessary.

Commissioner Toupin took note that all of these trips were specifically for a business purpose. Mr. Elzey remarked that it cannot be suggested under any circumstances that it was otherwise.

Commissioner Toupin asked if approval was necessary for travel outside of the state. Mr. Elzey responded that the Mayor's Office had to approve each and every trip in advance.

Commissioner Flynn asked if all vouchers were approved by the Controller. Mr. Elzey replied affirmatively.

Resolution No. 91-0320 -- Authorizing the Director of Property to effect an exchange of property between the Public Utilities Commission (the South Basin of Balboa Reservoir and air rights over the North Basin) and San Francisco Community College District (property located at 17th and Folsom Streets).

Mr. John P. Mullane, General Manager, Water Department, stated that the Water Department had been involved in a three way process with the San Francisco Community College District (SFCCD) and the Mayor's Office of Housing. The thrust of the process is basically for the Water Department to transfer the South Basin of the Balboa Reservoir, which had been declared surplus by the Public Utilities Commission through Resolution 84-0184, together with the air rights of the North Basin to the SFCCD. In exchange, SFCCD would provide the Public Utilities Commission with a piece of property at 17th and Folsom Streets that they currently own. Once the exchange is completed, the Mayor's Office of Housing would enter into the picture, through an effort with a non-profit corporation, to build low cost housing on the 17th and Folsom Street site. Mr. Mullane explained that SFCCD would be receiving a piece of property adjacent to an expanding campus which is the most impacted in the State at this time. The Water Department would receive a one time infusion of cash if they sold the property or a long-term revenue flow should they decide to lease the property. Mr. Mullane requested that the transfer of the two pieces of property, the transfer of the air rights over the North Basin, and the authorization to instruct the Director of Property to proceed with the package to the Board of Supervisors be approved.

President Chiesa asked for an explanation regarding the difference of \$4.7 million in the value of the two properties and why we are not getting the full value for the land.

Mr. Mullane replied that the basic issue in the exchange of the two pieces of property was that their overall use would be for the public good. On the Balboa Basin property, educational goals would be accomplished with SFCCD and on the Folsom Street property the development of low cost housing would increase the housing stock. He stated that the difference in value between the two pieces of property was not a major issue in the negotiation but that the interests of the public was.

Mr. Elzey stated that one of the stipulations in the contract was that if under any circumstances the Balboa property was used for purposes other than non-public purposes, whatever proceeds were gained would be shared equally between SFCCD and PUC. Also, if the property at 17th & Folsom should be used for non-public purposes, proceeds that were gained which exceeded the appraised value of the reservoir would be shared equally with SFCCD.

Mr. Daniel Reidy, representing Housing Conservation and Development Corporation (HCDC), stated that HCDC was the proposed developer of the Phelan Loop senior housing complex on the corner of Phelan Avenue and Ocean Avenue south of the Balboa Reservoir property. Mr. Reidy said that last year the Public Utilities Commission entered into an agreement with HCDC moving towards a ground lease to proceed with the development of this property. He spoke in support of the land exchange between the PUC and SFCCD but hoped this in no way compromises or changes the Commission's earlier intentions of moving ahead with the Phelan Loop senior housing complex.

Mr. Rodel E. Rodis, Member, San Francisco Community College Board, spoke on behalf of the proposed resolution and took the opportunity to thank the PUC staff for their diligent work on developing this resolution and exchange agreement in such a way that it would be fair for all concerned. He stated that as tuition on the state level was increasing, more and more students would be going to SFCCD, which would heavily impact the classrooms and existing facilities. Therefore, this exchange agreement would be in the best interests of all of San Francisco.

On motion of Commissioner Toupin, seconded by Commissioner Flynn, Resolution No. 91-0320 was approved.

Resolution No. 91-0323 -- Adopting the San Francisco Municipal Railway Short-Range Transit Plan and Capital Improvement Program for 1991/2000. (Continued from meeting of September 10, 1991)

Mr. Bruce Bernhard, Supervising Fiscal Officer, Bureau of Finance, responded to the Commission's request to provide a less voluminous document and an Executive Summary of the document stating the key issues.

Mr. David Pilpel commended staff for their hard work on the Short-Range Transit Plan and said that Muni's Short-Range Transit Plan was the most thorough document in comparison to other transit agencies. He stated that he hoped in the future the document would be available earlier and that there would be greater emphasis on public participation.

On motion of Commissioner Toupin, seconded by Commissioner Chin, Resolution No. 91-0323 was approved.

Resolution No. 91-0324 -- Authorizing and directing the Municipal Railway to establish service on line 33-STANYAN between 16th and Folsom Streets and 18th and Mission Streets; establishing non-stop service on selected trips of line 38L-GEARY LIMITED between the Transbay Terminal and the Caltrain Depot during the rush hours to connect with selected reverse peak trains now operated by Caltrain; and authorizing partial discontinuance of 33-STANYAN service at all times on 18th Street, Folsom Street, and South Van Ness Avenue between 16th and Folsom Streets and 18th and Mission Streets.

Mr. Peter Straus, Director of Planning, Municipal Railway, presented two proposals for improving regional connections of the Muni. The first proposal would be for a minor reroute of the 33-STANYAN in both westbound and eastbound directions serving the BART station at 16th and Mission Streets. The second proposal would be for an extension of a limited number of trips on the 38L-GEARY LIMITED from the Transbay Terminal to the Caltrain Depot at 4th and Townsend Streets.

Commissioner Flynn asked if any additional funds would be needed for this proposal. Mr. Straus replied that no new net costs would be incurred. Commissioner Chin asked if there was any opposition at the public meeting regarding the proposed reroute of the 33-STANYAN. Mr. Straus responded that there was none.

Dr. Robert Hollis, Administrative Assistant, San Francisco General Hospital, spoke in support of the proposed reroute of the 33-STANYAN and felt this change would benefit employees and patients travelling to San Francisco General Hospital.

Mr. Roger Hooson, representing CalTrain, stated that the Municipal Railway does a fine job in providing thousands of commuters with the means of getting from the 4th and Townsend CalTrain Station to the Financial District. He spoke in support of the proposed extension of the 38L-GEARY LIMITED.

Mr. David Pilpel also spoke in support of both of these proposals but said he would like staff to explore the possibility of rerouting the 33-STANYAN onto 20th Street.

On motion of Commissioner Chin, seconded by Commissioner Flynn, Resolution No. 91-0324 was approved.

Resolution No. 91-0326 -- Authorizing the Utilities Engineering Bureau to request proposals for and recommend the selection of two engineering firms to provide engineering and construction related services on an "as-needed" basis, for a period of twenty-four (24) months at a cost not-to-exceed \$150,000 for federally funded projects and \$200,000 for City funded projects.

Mr. Richard E. Brandt, Manager, Utilities Engineering Bureau, stated that the San Francisco Lawyer's Committee for Urban Affairs requested that the Public Utilities Commission split the specialized engineering services into two parts, a contract for use on federally funded projects and another for use on City-funded projects, in order to increase MBE/WBE/DBE consultant contracting opportunities and give the minority contractors a better opportunity to bid as the prime contractor.

Commissioner Chin asked if this procedure had ever been done before in order to enhance MBE opportunities.

Mr. Arnold Baker, Director of Contract Compliance, Public Utilities Commission, stated that it was his opinion that minority participation would be reduced as a result of splitting the contract. Mr. Baker explained that under federal rules MBE/WBE/DBE goals could be set, but under the new local legislation, there are not any MBE/WBE/DBE goals. As a result, these contracts would be split with no MBE/WBE/DBE goal on the local contract and 35% MBE/WBE/DBE goal on the federal contract. Basically, under this new local legislation it is a pass through for specialized consultants, which acts as an umbrella to attract specialty firms and then as projects come up they are handled through that contract. Mr. Baker stated that splitting the contracts between the two firms would encourage minority contractors and consultants to participate on the federally funded projects, which he anticipates will do very well.

On motion of Commissioner Flynn, seconded by Commissioner Chin, Resolution No. 91-0326 was approved.

Item No. 16 -- Awarding Hetch Hetchy Water & Power Contract No. HH-830, San Joaquin Pipeline No. 2, Repair Mortar Lining, in the amount of \$4,000,000 to Healy Tibbitts Builders, Inc., San Francisco, CA. (Continued to the meeting of October 8, 1991)

Mr. Elzey requested that this item be heard today with no action from the Commission until the October 8, 1991 Commission meeting.

Mr. Brandt stated that this is an on-going maintenance project for the San Joaquin Pipeline No. 2 located at Stanislaus County.

Mr. Juden Justice Reed, representing Spiniello Construction and Rogers/Genner Construction, stated that Healy Tibbitts Builders, Inc. should not be awarded the contract because the bidding process was tainted through the award of the local business enterprise preference. He also remarked it was his understanding that other primary bids, specifically that of Creamer Brothers, listed Rogers/Genner Construction against its consent as a MBE subcontractor. Mr. Reed said that a protest had been initiated with the Human Rights Commission and that based on the inappropriate disposal of the bidding, action should be taken to reopen the bidding process.

Mr. Bernie Monette, representing Creamer Brothers, stated that they were the low bidder on this project and that they should be awarded the contract. Mr. Monette said that they were informed that the contract was going to be awarded to Healy Tibbitts, Inc. because of their 5% local business advantage. The new ordinance passed in San Francisco as of July 1, 1991 changed the local business advantage to eliminate large corporations from receiving local preference. He remarked that it was there contention that Healy Tibbitts, Inc. does not qualify anymore for the 5% local business advantage than Creamer Brothers, who was after all the lowest bidder.

Mr. Marty Dinkins, consultant for Creamer Brothers and also representing the Northern California Minority and Women Dump Truck Brokers Network, stated that their primary concern was the lack of minority participation on this project. His major concern was the fact that San Francisco does not have a subcontracting provision in its new ordinance. He stated that Creamer Brothers did provide minority subcontractor opportunities and that they should be awarded the contract.

Commissioner Flynn asked if local preference was an issue with the award of this contract.

Mr. Adelbert Campbell, Deputy Director of the Human Rights Commission, stated that the main issue of the protest centered around Healy Tibbitts, Inc. receiving a local preference. Mr. Campbell said that this contract falls under the old ordinance since it was advertised in June, 1991 and not under the new ordinance which became effective July 1, 1991. Therefore, since there was no economically disadvantaged criteria for local businesses who received a preference, Healy Tibbitts, Inc. was eligible for the 5% preference.

Mr. Dan Collins, Deputy City Attorney, stated that Creamer Brothers raised the issue of the date of advertisement during the old ordinance versus the time of award which was during the time of the new ordinance. As far as the MBE/WBE preference was concerned, Mr. Collins said that only applies to prime contractors and that the new ordinance imposes no obligation on prime contractors to meet the MBE/WBE preference.

Mr. Elzey stated that the protests from Spiniello Construction Company and Creamer Brothers would be addressed at the next meeting. No action was taken.

Resolution No. 91-0327 -- Authorizing the Assistant General Manager, Finance to execute a Professional Services Contract between the City and County of San Francisco and Smith Dawson Associates, Inc. as a federal agency liaison on a month-to-month basis for a period not-to-exceed 12 months, and expires on June 30, 1992 at a payable rate of \$150 per hour with a total contract cost not-to-exceed \$55,000. (Continued from the meeting of September 24, 1991)

Ms. Michelle N. Witt, Acting Finance Director, said per Commissioner Flynn's request at the September 24, 1991 Commission meeting, changes were made to the contract to reflect the total hours worked plus the hourly rate at \$150 and that all future invoices would show a detailed description of services performed.

Commissioner Flynn asked if there was any history on how much time Smith Dawson Associates spent in the past for services rendered. Ms. Witt responded that there was no history on how much time they spent on a monthly or annual basis.

Commissioner Flynn questioned whether any funds had been obligated to pay Smith Dawson Associates, Inc. since their contract expired on June 30, 1991 to date. Ms. Witt replied that they had performed services since June but no payment of funds had been issued. Commissioner Flynn expressed his concern about the fact that expenses had been incurred prior to Commission approval of the contract. He asked how many hours had been spent to date on services performed since June 30, 1991. Ms. Witt replied that they had not yet received any invoices from the firm.

Commissioner Flynn requested that in the future staff bring contracts before the Commission in a timely manner for approval and not 90 days after they have expired with expenses incurred. He also requested that a memorandum to the Commission be prepared showing the costs incurred since June 1991 to date.

Mr. David Pilpel stated he was interested in monthly reports to the Commission from the contractor regarding transit issues which could affect the Commission's transit program.

On motion of Commissioner Flynn, seconded by Commissioner Toupin, Resolution No. 91-0327 was approved.

Public Comments

Mr. David Pilpel inquired whether notices of closed session meetings that are held before the regular meeting could be distributed to the regular mailing list for the calendar. Ms. Romaine A. Boldridge, Secretary, Public Utilities Commission, replied that all legal requirements for closed session meetings before the regular meeting are met by: 1) giving notice to the press; 2) giving notice to the public library; and, 3) posting it in City Hall.

Mr. Pilpel stated that he was interested in receiving documentation of what costs were incurred, particularly to the platform budget, in relation to the Castro Crossover and wet standpipe projects.

He also expressed his interest in the proposed management public interface program and inquired whether that program had been implemented. Mr. Elzey stated that the program had not been implemented as of yet but that there had been several discussions with Muni staff regarding this issue with a full report to the Commission on how staff plans to proceed with the program.

THEREUPON THE MEETING WAS ADJOURNED: 3:38 P.M.

Romaine A. Boldridge
Secretary

MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos

Mayor

REGULAR MEETING

Room 282, City Hall

2:00 P.M.

October 8, 1991

COMMISSIONERS

Sherri Chiesa, President

Gordon Chin, Vice President

H. Welton Flynn

Arthur V. Toupin

DOCUMENTS DEPT.

OCT 21 1991

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PUBLIC LIBRARY

DEPARTMENTS

Hetch Hetchy Project

Municipal Railway

Water Department

BUREAUS

Energy Conservation

Engineering and
Construction Management

Financial Management

Information Systems

Management Efficiency and
Productivity

Personnel and Training

Thomas J. Elzey

GENERAL MANAGER

Romaine A. Boldridge

SECRETARY

Call to Order: 2:05 P.M.

Present: President Sherri Chiesa, Vice President Gordon Chin,
Commissioner H. Welton Flynn, Commissioner Arthur V. Toupin

On motion of Flynn, seconded by Toupin, the Minutes of the regular meeting of September 24, 1991 were approved.

A tape of the meeting is on file in the Office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Toupin, seconded by Chin, the following resolution was adopted in Executive Session:

91-0328 MR Approving settlement of Edgar Banks v. City and County of San Francisco, Superior Court No. 875-939.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted in Executive Session:

91-0329 WD Approving settlement of Koontz, et al. v. Tootell, et al., San Mateo Superior Court No. 313-749.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0330 MR Requesting the Controller to draw warrants in payment of claims against the Municipal Railway, totalling \$37,000.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0331 MR Approving Contract Modification No. 2 in the amount of \$365,284 to San Francisco Municipal Railway Contract No. MR-869, Potrero Facility Rehabilitation, to N. L. Barnes Construction Co., Inc., Contractor.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0332 MR Approving Debit Modification No. 2 in the amount of \$59,690 for additional work to San Francisco Municipal Railway Contract No. MR-1013, Presidio Yard Bus Washer Replacement; and approving an extension of time of 60 calendar days to Interlane and P & J Utility, Co., AJV, Contractor.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0333 PT Approving the Non-Civil Service and Temporary appointments and removals as indicated on the Temporary Employment Activity Roster, for the month of August, 1991.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0334 GM Recommending execution of the amended and restated Joint Powers Agreement pertaining to the Peninsula Commute Service; approving the action of the Board of Supervisors in authorizing that the Agreement be executed by the Mayor on behalf of the City; and appointing the General Manager of Public Utilities as the Commission's representative.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0335 MR Approving members of the Armed Forces in uniform to ride Municipal Railway vehicles without payment of fares during Navy Fleet Week, October 12 through October 16, 1991.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0336 HH Extending sincere appreciation and best wishes to Robert Penrose for 32 years of service with Hetch Hetchy Water and Power on the occasion of his retirement.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0337 HH Extending sincere appreciation and best wishes to Irene Kimmey for 27 years of service with Hetch Hetchy Water and Power on the occasion of her retirement.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0338 HH Extending sincere appreciation and best wishes to Sam Ternullo for 26 years of service with Hetch Hetchy Water and Power on the occasion of his retirement.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0339 HH Extending sincere appreciation and best wishes to Otto Gisler for 24 years of service with Hetch Hetchy Water and Power on the occasion of his retirement.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0340 HH Extending sincere appreciation and best wishes to William Thompson 19 years of service with Hetch Hetchy Water and Power on the occasion of his retirement.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Toupin, seconded by Chin, the following resolution was adopted:

91-0341 HH Authorizing the General Manager of Hetch Hetchy Water and Power to execute Natural Gas Transportation Service Agreements with Pacific Gas and Electric Company for City agencies that purchase natural gas from independent suppliers effective August 1, 1991 through July 31, 1993.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0342 UEB Awarding Hetch Hetchy Water & Power Contract No. . HH-830, San Joaquin Pipeline No. 2, Repair Mortar Lining, in the amount of \$4,000,000 to Healy Tibbitts Builders, Inc., San Francisco, CA; and requesting the Board of Supervisors to approve an extension of time to award.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

RESOLUTION
NO.

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0343 FM Requesting the Mayor and the Board of Supervisors to approve a supplemental budget request for \$8 million to be funded from the Municipal Railway Capital Reserve Fund to certify the contract for the purchase of thirty-five second generation light rail vehicles (LRV-2's).

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

New Business

Commissioner Flynn thanked staff for addressing the allegations raised by a passenger regarding the 54-line and stated that staff did a fantastic job in investigating and addressing the problem.

Report of the General Manager

Annual APTA Conference

Mr. Thomas J. Elzey, General Manager, Public Utilities Commission, reported that he had attended the Annual American Public Transit Association Conference (APTA) in Toronto, Canada. He said he had the honor and pleasure of accepting several awards for the Municipal Railway's participation in the Annual APTA Ad Wheel Awards Program. That program specifically honors marketing, advertising and promotion and communication achievements by transit authorities. Mr. Elzey presented to the Commission two awards that the Municipal Railway received, which were: 1) First Place for Passes & Tickets, which included the One-Day Passport instituted this year; and, 2) First Place for Billboards/Outdoor Advertisements, which encouraged ridership on Muni.

Public Hearing

Item No. 8 -- To consider revisions to the current Mandatory Rationing Program for all residential retail customers of the San Francisco Water Department based on a per capita methodology. (Continued to a special meeting on October 15, 1991.)

Ms. Romaine A. Boldridge, Secretary, Public Utilities Commission, explained to the Commission the efforts made by staff for public outreach concerning the water rationing public hearings. She stated that notices were published a month before the hearings were set in the Examiner, the Independent and ethnic newspapers and that they were sent to the Neighborhood Organizations list and PUC calendar list. Also, Muni's Community Affairs Office developed and prepared: 1) 20,000 notices that went in the "Take One" boxes on Muni buses, which were also mailed to the Neighborhood Organizations list and PUC calendar list; 2) 11" x 17" meeting notices posted on the panel behind the driver on the buses; and, 3) a press release distributed to the media on October 3, 1991.

Mr. John P. Mullane, General Manager, Water Department, stated that on April 23, 1991 the Commission requested that the Water Department study the possibility of developing a per capita rationing program to supplant the current program. Mr. Mullane gave an overview of the results of the study and stated that three types of per capita water rationing programs were developed: 1) a simple per capita program which basically would provide a defined amount of water for each known resident in a household; 2) a household allotment based upon an average or assumed number of occupants for each household; and, 3) a variation on either of the first two plans with a small amount of water allotted for irrigation purposes.

The first alternative, the use of a simple per capita allotment, would be the most simple to administer. However, the downside to the adoption of this plan is that it would reduce the current allotments for a substantial number of customers who, under the current 25% rationing program, have higher allotments based on their 1987 consumption. From a more global view, if their current allotment was higher because they were wasting water in 1987, then the perception would change to one of equity and to one rewarding the customer who had not wasted water under the original plan.

The second option, the use of a per household allotment, would utilize the same defined amount of available water. Household allotments would be based upon the 1990 Census of 2.6 occupants (rounded to 3 for ease of conversion) residing in each living unit in San Francisco. Mr. Mullane said that this program would be the easiest to administer because no survey would be required to make a determination as to the number of residents per household. On the other hand, it would probably entail a peak appeal process once the allotments were assigned. The disadvantages of this plan would be that any household which had less than 3 occupants would actually be receiving more than their fair share of water, thereby removing the motivation to conserve water and not achieving the concept of equity presented in the first alternative.

The third option would be to add an additional amount of water which would be designated for minimal irrigation to either of the other options. This third plan would benefit a significant number of people for two reasons. One group of customers may want to preserve particular plants and trees, either because of the expense involved in their original planting or for the aesthetics of their premises. Another group of customers would be more concerned with the environment and views the protection of trees and plants as significant in combating the buildup of carbon dioxide, easing the problems of global warming and protecting the fragile ecosystem. Mr. Mullane stated that if water were set aside for irrigation, there would be an impact on the size of the basic allotment thus reducing the daily per capita allotment.

Mr. Mullane remarked that it would be assumed that the current appeals process would remain so that households which had changes in occupancy would be provided with a process to guarantee an appropriate level of water for the actual number of occupants in the household.

Implementation of a per capita or per capita plus irrigation water program would require that a census be completed to determine how many people reside in each household. Mr. Mullane said that staff had studied the census methodology in detail and decided that because of the cost involved, that an insert of the survey be included in each bill in a two-month billing cycle. Thus, every customer of record would receive an insert printed in four languages (English, Spanish, Chinese and Tagalog) that would explain the Department's need to gather information so that they could equitably

distribute the available water. The costs associated with inserting the survey in the bill would be approximately \$6,000, which would cover typesetting and printing versus the cost of \$80,000 for a direct mailing.

Additional costs to develop, implement and maintain this program would be about \$26,000, which would include overtime needed in the appeal process, keypunch costs required for the initial inputting of data, program costs required primarily to develop the new allocations, and for costs associated in the preparation of the survey itself.

Mr. Mullane explained how staff came to determine the per capita amount. Basically, it was by identifying the volume of water that was available under the current rationing program at the 25% level. That available pool of water would be reduced by 10% to set aside an appeals pool to handle the appeals that are anticipated to come in initially or down the road. The net, that is the available pool less the appeals pool, is divided by the number of residents in San Francisco as identified in the 1990 U.S. Census Bureau. The breakdown of per capita amounts would be: per capita - 65 gallons per day (gpd) per occupant; per household - 156 gpd per household; per capita and irrigation - 55 gpd per occupant plus 50 gpd for irrigation; and per household and irrigation - 182 gpd per household. He stated that because there was a sustained interest on the part of the Commission, the Mayor and the Board of Supervisors, the per capita program would be applied only to residential accounts.

Mr. Mullane stated that the department was not recommending that the existing system be changed but that he was only presenting the various alternatives. Should the Commission decide to adopt either of the programs, Mr. Mullane recommended that the Commission adopt the per capita plus irrigation plan. He stated that if one of the programs were adopted at the meeting of October 15, 1991, the survey would go out around October 31 or November 1, 1991. All surveys should be returned and completed by January 31, 1992 with a start date of February 1, 1992. By April 1, 1992, a decision by the department would have to be made as to whether or not a rationing program would still be in place based off data collected from Hetch Hetchy Water and Power as to the level of water at that time. Mr. Mullane suggested that the implementation of the program itself, if adopted, be pushed to April 15, 1992.

Commissioner Chin asked how staff arrived at the 50 gpd figure for irrigation. Mr. Mullane responded that it was an arbitrary figure which basically would only provide enough water for minimal irrigation.

President Chiesa invited public comments.

Mr. W. E. Winn, Jr. remarked that no matter what kind of per capita program was established, it was necessary to know how many people exist per water meter.

Ms. Isabel Wade, representing the Tree Advisory Board, complimented the Water Department for promoting water conservation and spoke in favor of option three which included the allotment for irrigation. She expressed the importance of San Francisco's landscape and that the Commission send the message that they recognize the value of landscape to the City in terms of our economy and for the environment. Ms. Wade commented on the equity issue in terms of landscaping and was of the opinion that the survey include a box indicating whether or not one has a garden.

Ms. Holly Shepard spoke in support of the per capita plus irrigation water allotment option. She expressed how important greenery was to the environment in that it cleans the air by releasing oxygen and absorbing carbon dioxide, thereby counteracting global warming. Ms. Shepard urged the Commission to allow enough water to maintain what nature is left in San Francisco.

Ms. Dorothy Dempsey stated that she was under the impression, through the media, that the Public Utilities Commission was going to adopt a rationing plan of 55 gpd plus 50 gpd for irrigation at today's meeting. Ms. Dempsey inquired as to why the Commission was considering a per capita rationing plan.

President Chiesa responded that the reason why the Commission was looking at these options was because when the current rationing program was implemented many people gave testimony that the program was not fair because it was based upon 1987 water usage. She stated that if one was conserving water in 1987 and cut 25% they would have less water than someone who was not conserving in 1987. The public expressed a desire to have a per capita plan or some other plan that would be more equitable.

Ms. Melissa Sarenac commented on water rationing and over population issues. She stated that she encourages water rationing and that there should be stricter penalties for those who do not conserve water.

Mr. Harold Wright, Chairman, Forest Hill Association Landscape Committee, spoke in support of the per capita plus irrigation rationing program. He also stated that if there was going to be further rationing and restrictions in San Francisco, that the suburban water districts should be rationed equally.

Mr. John B. O'Donnell commented on the issue of equity and banking. He was of the opinion that the per capita allotment of 55 gpd per occupant was too liberal an allowance.

Ms. Dorothy Walker stated that whatever allotment was given, that it include water for irrigation. Ms. Walker also commented that she would like the survey to be more specific, not only with regard to the number of residents per household but the size of the structure and landscaping.

Mr. George Downs remarked that he did not know which plan would be best suited for his needs but that he wanted to be able to take care of his garden.

Mr. Nate Ratner, representing the Clean Water Committee, Water Appeal Board for Industrial Waste, and Water Reclamation Board, stated that several people before his board were appealing on the sewer service charges and was of the opinion that many people do not tell the truth even under affidavit. He stated the importance of having a system in which everyone would be treated equally and that anyone not telling the truth would be penalized by reducing their water allotment.

Ms. Michele Kimpel commended the Commission on their efforts to conserve water and also expressed a preference for a system based on a per capita allocation which is a more equitable method of allocating water. Ms. Kimpel expressed concern regarding how the survey might affect illegal aliens in this community and poor and low income people by placing these individuals in potential conflict with their landlords, the Public Health Department and immigration officials.

Mr. Stephen Markstein asked why people are being penalized for water conservation by paying higher water rates. President Chiesa replied that the Water Department does not generate as much revenue during a drought and despite the fact that people are using less water the department still has the same overhead costs.

Commissioner Chin commented on the difficulty the department faces regarding the implementation of the per capita system. Many questions were raised with reference to the survey, and irrigation allotments without regard to the types of units, the size of the household, or the size of open space. He inquired as to how the survey data would be used, especially in relation to illegal aliens and low income families and who would have access to that data.

Mr. Mullane replied that the City Attorney had advised that the data was public record and would be available should anyone request it. Any request would have to be formalized and be specific.

Commissioner Chin remarked that under the household option, households with one or two persons would be receiving a higher allocation than they deserve and asked why couldn't the allotment be based on two persons per household. Mr. Mullane replied that the figure they arrived at was based upon the 1990 Census figure of 2.6 people.

Commissioner Toupin inquired about the degree of accuracy that could be expected from the survey. Mr. Mullane stated that the department has had no prior experience in a formalized per capita program and that it had always been based on the honor system.

President Chiesa questioned whether other water districts had implemented a per capita water rationing plan, and if so, was a survey used similar to the one being proposed. Mr. Mullane stated that Contra Costa County went on a per household allotment which was based on four people at 70 gpd per person, or 280 gpd. Marin County was on a per capita plus irrigation program and the East Bay Municipal Utility District (MUD) was on a mandatory per household program two years ago. He stated that in order to implement their programs they would have had to gather data through a survey.

Commissioner Flynn inquired as to whether the survey should be used to determine the size of the area which needs to be irrigated. Mr. Mullane responded that the size of the area was not part of the equation and that it would be very difficult to identify how much water should be available to each household.

Commissioner Toupin asked if banking water would be administratively feasible. Mr. Mullane replied that the concept of banking is a good idea as a way for the Commission and the department to reward people who had been conserving water and that it would allow them to meet contingencies that might come up in the future. On the other hand, he said that it would affect the department's ability to plan for the future because any water that was in a customer's bank would have to be presumed as having been used. If the water that was banked was excluded from the department's future planning, the department would have to increase the level of rationing to offset the amount of water in the bank.

The public hearing was continued to the special meeting of October 15, 1991.

Resolution No. 91-0334 -- Recommending execution of the amended and restated Joint Powers Agreement pertaining to the Peninsula Commute Service; approving the action of the Board of Supervisors in authorizing that the Agreement be executed by the Mayor on behalf of the City; and appointing the General Manager of Public Utilities as the Commission's representative.

Mr. Douglas Wright, Deputy Mayor of Transportation, explained that this item pertains to an expansion and a redefinition of the Joint Powers Board Agreement. San Francisco has three seats on the Joint Powers Board represented by the Public Utilities Commission, the Mayor and the Board of Supervisors. Mr. Wright stated that it was necessary to execute the new agreement between the parties involved because this would allow the Joint Powers Board to have expanded powers to plan, oversee and operate the Peninsula Commute service after the transfer of the system's assets from Caltrans to the Joint Powers Board.

Ms. Robin Reitzes, Deputy City Attorney, stated that the restated Joint Powers Board Agreement had already been approved by the Board of Supervisors and other member agencies. Unfortunately, the Agreement did not come through the Public Utilities Commission prior to approval by the Board of Supervisors. Ms. Reitzes noted that future agreements would be forthcoming which will require the Commission's approval related to the purchase of the peninsula right-of-way itself, an operating agreement among the Joint Powers Board members if the purchase of the right-of-way is completed, and the transfer agreement with SamTrans of Water Department right-of-way property to be the City's contribution toward the purchase of the Southern Pacific right-of-way.

Commissioner Flynn asked if the Public Utilities Commission was required to approve this Agreement before it went to the Board of Supervisors.

Ms. Boldridge stated that the original Joint Powers Board Agreement was initiated in Board by Supervisor Carol Silver without any action on the part of the Public Utilities Commission in 1988. It appears that the same process was used in this case. She said that the City Attorney's Office noted that the agreement had not gone through the proper channels and that it does require PUC approval.

Mr. David Pilpel stated that all other member agencies, except for San Francisco, had elected officials or appointed members of their governing board. He noted that the current proposed agreement does not provide for an alternative appointee so that the Commission could be fully represented in the event the appointee was unavailable.

Commissioner Chin requested clarification in reference to what the Commission approves or disapproves. Mr. Wright responded that it would be the judgment of the collective members of the Joint Powers Board on what should come back to the member agencies for specific approval.

Commissioner Flynn requested that the General Manager report back to the Commission on Joint Powers Board matters.

On motion of Commissioner Flynn, seconded by Commissioner Toupin, Resolution No. 91-0334 was approved.

Resolution No. 91-0342 -- Awarding Hetch Hetchy Water & Power Contract No. HH-830, San Joaquin Pipeline No. 2, Repair Mortar Lining, in the amount of \$4,000,000 to Healy Tibbitts Builders, Inc., San Francisco, CA; and requesting the Board of Supervisors to approve an extension of time to award. (Continued from meeting of September 24, 1991.)

Mr. James P. Watson, Attorney for Creamer Brothers, stated that Healy Tibbitts Builders, Inc. should not be awarded the contract because the new ordinance that became effective July 1, 1991 changed the local business advantage to eliminate large corporations from receiving local preference. He requested that the Commission reject the proposal to award the contract to Healy Tibbitts Builders, Inc. and award the contract to the lowest responsive and responsible bidder, Creamer Brothers, Inc. Mr. Watson stated that if the Commission awards this contract to Healy Tibbitts Builders, Inc., Creamer Brothers would file suit in San Francisco Superior Court to seek an injunction barring the award of the contract or implementation thereof.

Mr. Juden Justice Reed, Attorney for Spiniello Construction and Rogers/Genner Construction, stated that their concern was related to the local bid preference. He said that Spiniello Construction had an exclusive contract with Rogers/Genner Construction to be a minority business enterprise subcontractor and yet Creamer Brothers appropriated Rogers/Genner Construction for use in their bid against their consent. This shows that Creamer Brothers was not a responsible bidder. Mr. Reed stated that the bidding process should be reopened, therefore, Healy Tibbitts Builders, Inc. should not be awarded the contract based on their lack of minority subcontractor participation.

Commissioner Flynn asked what the City Attorney's recommendation was with regard to the award of this contract. Mr. Elzey stated that a confidential opinion was provided the Commission to award the contract to Healy Tibbitts, Inc.

On motion of Commissioner Flynn, seconded by Commissioner Chin, Resolution No. 91-0342 was approved.

Item No. 15 -- Authorizing the General Manager of the Public Utilities Commission to enter into agreements with the State of California to construct the new J-Line Layover Terminal and the new M-Line Layover Terminal on 19th Avenue; and requesting the Board of Supervisors approval of the indemnification clause.

Mr. Ken Jew, Project Manager, Utilities Engineering Bureau, gave a brief overview of the project and cooperative agreements with the State of California. He pointed out that staff intends to construct two layover terminals on 19th Avenue near Stonestown and San Francisco State University to improve light rail vehicle (LRV) services and operations on the J-Church line and the M-Ocean line. Mr. Jew stated that since 19th Avenue is a State highway, California law requires that we enter into cooperative agreements with CalTrans before construction on this project could begin. The two agreements (one for the design phase and one for the construction phase) state that the City would comply with State law in the design and construction of this project. Upon the approval of the Board of Supervisors, the City intends to indemnify the State of all claims and law suits related to this project.

Mr. Pilpel pointed out that there were handwritten notations on the cooperative agreements and was of the opinion that it should not be presented to the Commission in that manner. He addressed several issues related to the length of the pocket tracks, whether the station stops were of sufficient size for two or three car trains, whether the proposed turnback for the M-line was on a slope, and the need to install signal pre-empts along 19th Avenue.

In conclusion, Mr. Pilpel was of the opinion that unless there had been public outreach, this item should be deferred until the affected communities have had the opportunity to become involved in this major project.

Mr. Jew responded that there had been community meetings on this project with still more to be held before construction begins. He stated that staff was requesting that the cooperative agreements with the State of California be approved.

Commissioner Flynn requested that this item be taken off calendar until neighborhood meetings have been scheduled and to provide the Commission with a final copy of the cooperative agreements without any handwritten notations on the contract.

Public Comments

Mr. David Pilpel inquired as to whether closed session meetings notices could be distributed to the regular calendar mailing list. Commissioner Flynn responded that the Public Utilities Commission was in complete compliance with the Brown Act regarding closed session meetings.

Mr. Pilpel inquired as to when the Transit Impact Development Fee (TIDF) funds for service enhancements for this year would go into effect. Mr. Johnny Stein, General Manager, Municipal Railway, replied that TIDF service enhancements would go into effect in mid-November.

With respect to the 1992/93 budget, Mr. Pilpel was of the opinion that policy level hearings be held to discuss budget issues early in the budget cycle. He asked that the Commission hold public hearings as early as November whereby members of the public could have an opportunity to comment on their priorities before the various departments actually draft their budgets to the General Manager and Commission.

President Chiesa stated that she would like to see advance notice of what staff proposes for their next budget cycle. Mr. Elzey pointed out that in last year's budget cycle, staff did provide the Commission with a number of different policy issues far in advance and that staff would continue to provide advance information on policy issues prior to the budget process.

THEREUPON THE MEETING WAS ADJOURNED: 3:38 P.M.

Romaine A. Boldridge
Secretary

MINUTES

91
PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos

Mayor

REGULAR MEETING

Room 282, City Hall

2:00 P.M.

October 22, 1991

DOCUMENTS DEPT.

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COMMISSIONERS

Sherri Chiesa, President

Gordon Chin, Vice President

H. Welton Flynn

Arthur V. Toupin

DEPARTMENTS

Hetch Hetchy Project

Municipal Railway

Water Department

BUREAUS

Energy Conservation

Engineering and
Construction Management

Financial Management

Information Systems

Management Efficiency and
Productivity

Personnel and Training

Thomas J. Elzey

GENERAL MANAGER

Romaine A. Boldridge

SECRETARY

Call to Order: 2:03 P.M.

Present: President Sherri Chiesa, Commissioner H. Welton Flynn,
Commissioner Arthur V. Toupin

Excused: Vice President Gordon Chin

On motion of Flynn, seconded by Toupin, the Minutes of the regular meeting of October 8, 1991 were approved.

A tape of the meeting is on file in the Office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0344 MR Requesting the Controller to draw warrants in payment of claims against the San Francisco Municipal Railway, totalling \$55,000.

VOTE: Ayes - Chiesa, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0345 FM Approving collection of charges for damages for the month of September 1991, against the San Francisco Municipal Railway from miscellaneous debtors in the amount of \$7,873.31; and Bureau of Light, Heat & Power from miscellaneous debtors in the amount of \$150.

VOTE: Ayes - Chiesa, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0346 WD Accepting the work performed under San Francisco Water Department Contract No. WD-1950, Millbrae Headquarters Auto Shop and Warehouse Replacement, as satisfactorily completed; approving Debit Contract Modification No. 5 in the amount of \$9,899; and authorizing final payment in the amount of \$11,718.98 to Nibbi-Lowe Construction, Contractor.

VOTE: Ayes - Chiesa, Flynn, Toupin

RESOLUTION
NO.

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

- 91-0347 WD Accepting the work performed under San Francisco Water Department Contract No. WD-2053, 8-Inch Ductile Iron Main Installation in Howard, Langton, Sumner and Tehama Streets, as satisfactorily completed; approving Debit Contract Modification No 1 in the amount of \$39,816; authorizing an extension of time of unavoidable delays of 72 working days; and authorizing final payment in the amount of \$37,735.95 to E. Mitchell, Inc., Contractor.

VOTE: Ayes - Chiesa, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

- 91-0348 WD Approving the plans and specifications as prepared and recommended by staff, and authorizing Bid Call for San Francisco Water Department Contract No. WD-2073, 8-Inch Ductile Iron Main Installation in California Street between Presidio Avenue and Steiner Street and Octavia Street between Union and Vallejo Streets.

VOTE: Ayes - Chiesa, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

- 91-0349 WD Approving the plans and specifications as prepared and recommended by staff, and authorizing Bid Call for San Francisco Water Department Contract No. WD-2107, San Francisco Water Bond Project - Sunol Valley Water Treatment Plant Improvements.

VOTE: Ayes - Chiesa, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

- 91-0350 EC Authorizing the Bureau of Energy Conservation to apply for, accept, and expend \$60,000 in grant funding from the U.S. Department of Energy and the Urban Consortium (through its fiscal agent, the City of Chicago) to continue its energy management activities.

VOTE: Ayes - Chiesa, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

- 91-0351 GM Ratifying the actions of the Joint Powers Board (JPB) and approving the execution of the Agreements as set forth in JPB Resolution of October 9, 1991; and urging the Board of Supervisors to ratify and approve the same actions and Agreements pertaining to the Peninsula Corridor right-of-way acquisition.

VOTE: Ayes - Chiesa, Flynn, Toupin

RESOLUTION
NO.

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

- 91-0358 MR Authorizing the San Francisco Municipal Railway to enter into a contract with Breda Costruzioni Ferroviarie S.p.A., for an amount not-to-exceed \$82,087,695 to provide 35 Light Rail Vehicles and Associated Bid Items as defined by the specifications that accompany the contractual agreement; and requesting Board of Supervisors' approval.

VOTE: Ayes - Chiesa, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

- 91-0359 MR Requesting the Mayor to recommend to the Board of Supervisors a Municipal Railway supplemental appropriation in the amount of \$660,000 to fund the provisions set forth in the Memorandum of Understanding (MOU) between the Transport Workers Union and the City and County of San Francisco regarding the operators' trust fund.

VOTE: Ayes - Chiesa, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

- 91-0360 MR Extending sincere appreciation and best wishes to Robert H. Cox for 45 years of service with the San Francisco Municipal Railway upon his retirement.

VOTE: Ayes - Chiesa, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

- 91-0361 UEB Authorizing the General Manager of Public Utilities to enter into cooperative agreements with the State of California, pending Board of Supervisors approval on the indemnification clause, to construct the new J-Line and M-Line boarding platforms and layover tracks on 19th Avenue.

VOTE: Ayes - Chiesa, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

- 91-0362 UEB Requesting the Board of Supervisors' approval to extend the time for award of Hetch Hetchy Water and Power Contract No. HH-828R, Moccasin Penstock Saddle Replacement.

VOTE: Ayes - Chiesa, Flynn, Toupin

RESOLUTION
NO.

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

- 91-0363 FM Requesting the Mayor's Office and the Board of Supervisors to approve a supplemental budget request for \$12,284,076 to be funded from the Transit Impact Development Fee (TIDF) revenues to certify the contract for the acquisition of thirty-five (35) second generation Light Rail Vehicles (LRV-2s).

VOTE: Ayes - Chiesa, Flynn, Toupin

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

- 91-0364 FM Authorizing the Assistant General Manager of Finance to apply for, accept, and expend \$7,532,454 in UMTA Section 9 operating assistance and \$26,819,276 in UMTA Section 9 capital assistance and \$6,704,819 from various state, regional, and local match funds; such as State Transit Capital Improvement Funds, State Urban Rail Bond Funds, State Clean Air and Transportation Improvement Act Bond Funds, Bridge Toll Net Revenues, Gas Tax Revenues, Hetch Hetchy Revenues, Transit Impact Development Fees, San Francisco Municipal Railway Improvement Corporation Funds, and/or San Francisco County Transportation Sales Taxes for the following Municipal Railway projects: Fixed Facility Rehabilitation; Cable Car Vehicle Renovation; 14-MISSION Trolley Overhead Reconstruction; and Articulated Trolley Bus Purchase; and requesting the San Francisco Municipal Railway Improvement Corporation and the San Francisco Transportation Authority to provide local match funds as needed for this grant.

VOTE: Ayes - Chiesa, Flynn, Toupin

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

- 91-0365 EC Authorizing the transfer of up to a maximum of \$145,569 from "Other Contractual Services" and "Building Repair" budget categories to Temporary Salaries from FY 1991/92 operating budget to temporarily fund the employment of three full-time and one part-time 5604 Assistant Energy Specialist staff positions.

VOTE: Ayes - Chiesa, Flynn, Toupin

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

Report of the General Manager

Mr. Thomas J. Elzey, General Manager, Public Utilities Commission, referred to his memorandum to the Commission dated October 22, 1991 regarding a potential trihalomethane (THM's) violation in the Water Department's water supply. He requested the Commission's concurrence with the department's proposed approach to delay transportation of any additional State water into our water system and reservoir. Mr. Elzey said that he has been monitoring the progress of staff in their efforts to identify the source of the problem and the best way of approaching it.

The Commission concurred with the staff's proposal.

Resolution No. 91-0351 -- Ratifying the actions of the Joint Powers Board (JPB) and approving the execution of the Agreements as set forth in JPB Resolution of October 9, 1991; and urging the Board of Supervisors to ratify and approve the same actions and Agreements pertaining to the Peninsula Corridor right-of-way acquisition.

Mr. Elzey stated that approval of this resolution would ratify the actions taken by the JPB on October 9, 1991, which outlined the purchase agreement for the Peninsula Corridor right-of-way acquisition, a 52-mile corridor running from San Francisco to San Jose. Mr. Elzey said that the California Transportation Commission (CTC) approved \$124 million for its share of the cost of this right-of-way acquisition. He noted that staff would be coming back to the Commission with details on how we propose to make our contribution towards the purchase of the right-of-way, through a land swap estimated to be approximately \$12 million.

Mr. Dave Miller, Attorney for the JPB, gave a brief overview of the proposed financial arrangement. In January of 1991, a letter of intent was negotiated and executed between the JPB and Southern Pacific Transportation Company. Proposition 116, adopted by the voters of the State of California, earmarked \$124 million for the acquisition and another \$53 million for upgrading the system's capital projects. When the JPB originally consummated the transaction, it was assumed that all of the \$173 million of Proposition 116 would be allocated towards the total purchase price of \$210 million but the CTC decided that only \$124 million would be used. The balance between Proposition 116 funds and the purchase price would have to come from non-state sources. Mr. Miller stated that the CTC made it clear that each of the member agencies understood that no additional funds would be sought from the State to fill that gap.

Mr. Miller pointed out that the San Mateo County Transit District and the San Mateo County Transportation Authority had already acted and authorized the allocation of the requisite funds in cash to consummate the transaction. Acquisition of this right-of-way would provide the means in the future for the expansion of the system, for grade separation projects on the peninsula and expanded parking, funded largely by San Mateo County Transportation Authority and State funds.

Mr. Miller said that currently Southern Pacific was operating the rail service which is under contract with the State of California. After acquisition, it is anticipated that the JPB would engage an operator to take over the rail service from San Francisco to San Jose. Proposals have gone out to acquire a new operator for the service with bids due November 1, 1991. Mr. Miller stated that the JPB was working with the State to make sure there would be full continuity of service between now and the time a new operator takes over the service.

In conclusion, Mr. Miller said that he had every reason to believe that the overall objectives of the JPB would be accomplished, namely to protect the corridor, to assure continued service, to provide the need for expanded service, and to protect freight for the business and economy of the region.

Commissioner Flynn inquired as to how the amount of \$12 million as San Francisco's contribution was determined. Mr. Miller replied that the allocation for San Francisco had been based upon a mileage formula -- the percentage of right-of-way miles in San Francisco compared to the total right-of-way mileage between San Francisco and San Jose.

Commissioner Flynn asked whether the equipment was included as part of the \$210 million purchase price. Mr. Miller responded that all the trains are presently owned by the State of California. As part of the Agreement, the State of California will transfer ownership of all assets and equipment to the JPB.

Mr. David Pilpel spoke in support of this item provided that this Agreement does not commit the City of San Francisco to transferring the 40-Line right-of-way which should be negotiated separately.

On motion of Commissioner Toupin, seconded by Commissioner Flynn, Resolution No. 91-0351 was approved.

Resolution No. 91-0352 -- Directing the Water Department to conduct a data gathering survey of its San Francisco residential customers.

Mr. Elzey made reference to a memorandum dated October 18, 1991 regarding the rescheduling of the October 15, 1991 public hearing on the Per Capita Water Rationing Program. He stated that staff recommended that the data gathering survey be conducted now and that the public hearing be postponed until March or April, 1992. At that time, staff would have a better picture on what the department's water supply situation would be after the runoff season.

Commissioner Flynn asked if there were sufficient funds to conduct this survey. Mr. John P. Mullane, General Manager, Water Department, replied affirmative. Commissioner Flynn moved that the resolution be adopted.

On motion of Commissioner Flynn, seconded by Commissioner Toupin, Resolution No. 91-0352 was approved.

Resolution No. 91-0358 -- Authorizing the San Francisco Municipal Railway to enter into a contract with Breda Costruzioni Ferroviarie S.p.A., for an amount not-to-exceed \$82,087,695 to provide 35 Light Rail Vehicles and Associated Bid Items as defined by the specifications that accompany the contractual agreement; and requesting Board of Supervisors' approval.

Mr. Bob Highfill, Chief Equipment Engineer, Municipal Railway, stated that the 1987-1992 Muni Capital Improvement Program provided for the purchase of new light rail vehicles for the Muni system. In January of 1991 proposals were sent out to 31 potential suppliers, from which five proposals were received. Mr. Highfill said that Breda Costruzioni Ferroviarie, Pistoia, Italy achieved the highest score resulting from the negotiated procurement procedure. Therefore, he requested that the Commission award the contract for the purchase of 35 light rail vehicles to Breda Costruzioni Ferroviarie of Pistoia, Italy for a fixed price in the amount of \$82,087,695.

Commissioner Flynn asked several questions regarding the light rail vehicles built by Breda, such as: 1) Had other transit authorities had their vehicles built by Breda? 2) Is this vehicle specially built for San Francisco? 3) Is there any difference in the spare parts needed for the new vehicles compared to other transit authorities? 4) What was the life of the vehicle? and 5) How firm was the cost of the vehicles? Mr. Highfill responded that Breda had built vehicles for Cleveland, Washington D.C. and Seattle. He stated that the light rail vehicles would be specially engineered and built for the duty cycle in San Francisco because of San Francisco's infrastructure and the passenger loads that are carried. Mr. Highfill said that there would be peculiar spare parts for the light rail vehicles but that the majority of the working parts would be considered industry standard parts and that spare parts would be available for 15 years from the date of purchase. Thereafter, the spare parts would be accessible from vendors who build industry standard parts for all rail cars. Also, he noted that the design life of the vehicle was 30 years. Mr. Highfill stated that the unit cost of the vehicle itself was \$2.0 million f.o.b. That price is firm and will hold through delivery which is scheduled for 1995. It includes freight costs and will not change with fluctuations in the U.S. dollar.

Mr. David Pilpel asked whether the new fleet of vehicles would be compatible with the existing fleet in terms of coupling and the new automated signal system. Mr. Highfill replied that mechanically the vehicle would couple with the existing system but that it wouldn't electrically connect and operate with the old cars. Also, he stated that the design of the automatic train control system would be included in the new vehicles. Mr. Pilpel inquired as to when the new vehicles would be delivered and whether there would be available storage facilities for the vehicles when they arrive. Mr. Highfill replied that four prototype trains would arrive in April 1994 but that delivery of the actual fleet would begin April 1995. Also, he said that staff plans to provide storage facilities for these vehicles when they arrive.

On motion of Commissioner Toupin, seconded by Commissioner Flynn, Resolution No. 91-0358 was approved.

Resolution No. 91-0361 -- Authorizing the General Manager of Public Utilities to enter into cooperative agreements with the State of California, pending Board of Supervisors approval on the indemnification clause, to construct the new J-Line and M-Line boarding platforms and layover tracks on 19th Avenue.

Mr. Ken Jew, Project Manager, Utilities Engineering Bureau, stated that the final copy of the cooperative agreements with the State of California had been completed and that neighborhood meetings had been scheduled, per the request of the Commission at the October 8, 1991 meeting.

Commissioner Flynn asked what had been done with regard to the public hearings. Mr. Johnny Stein, General Manager, Municipal Railway, stated that several years ago when this project was in its planning stage, staff went out to the OMI community to introduce the project. He noted that staff has every intention of informing the community before any construction begins so as to address any issues they might have. Mr. Stein said that the first public hearing would be scheduled for November 20, 1991 and that subsequent hearings would be scheduled early in 1992.

Mr. Pilpel stated that his major concern regarding this item was how the community would be affected when construction of the project begins.

Mr. Samuel R. Ganczaruk spoke in support of this project and stated that it was absolutely necessary to the community. He asked how the current project to construct the new J-Line and M-Line boarding platforms and layover tracks on 19th Avenue related to the proposed underpass project in the Stonestown area whereby cars could cross 19th Avenue without being delayed by traffic. Mr. Peter Straus, Director of Strategic Planning, Municipal Railway, responded that the underpass project had been dropped.

On motion of Commissioner Flynn, seconded by Commissioner Toupin, Resolution No. 91-0361 was approved.

Resolution No. 91-0363 -- Requesting the Mayor's Office and the Board of Supervisors to approve a supplemental budget request for \$12,284,076 million to be funded from the Transit Impact Development Fee (TIDF) revenues to certify the contract for the acquisition of thirty-five (35) second generation Light Rail Vehicles (LRV-2s).

Ms. Michelle N. Witt, Acting Finance Director, Finance Bureau, requested that the Commission approve this supplemental budget request for \$12.2 million to be funded from the TIDF revenues for the procurement of the 35 LRV-2s.

Mr. Pilpel requested a copy of an updated TIDF budget plan.

Commissioner Flynn stated that the \$12.2 million was a loan from the TIDF fund until the Urban Mass Transportation Administration (UMTA) grant was awarded.

On motion of Commissioner Flynn, seconded by Commissioner Toupin, Resolution No. 91-0363 was approved.

Public Comments

Ms. Feysan Lodde, Chairman, MV Transportation Group and Paratransit Services, stated that their firm is a subcontractor operating through the Municipal Railway which provides paratransit services to clients with disabilities in San Francisco. She highlighted MV Transportation's growth in service, level of service, and employment development.

Mr. Stein remarked that he had the privilege of touring MV Transportation and said that Muni was very pleased with their professional operation and the services rendered by them.

Mr. Pilpel commented that some of Muni's transit shelters were without lighting and telephones. He felt it was appropriate that the Commission be updated periodically regarding the transit shelters. President Chiesa requested that staff prepare a full report for the next Commission meeting on the transit shelters.

Mr. Pilpel inquired as to the delay in construction in changing the 31-BALBOA from motor coach to trolley coach. Mr. Stein replied that the reason for the delay on the project was because the contractor had problems with the manufacturer in acquiring particular overhead parts. He stated that the project would be completed by late March or early April 1992.

Mr. Pilpel commented that, according to the City Charter, work projected to be over a certain dollar amount had to go out to bid. He was of the opinion that the dollar amount should be raised due to inflation and that the Commission, in conjunction with other City agencies, should lobby to have that put on the ballot for June 1992 to increase that amount due to inflation.

Mr. Pilpel remarked that he would like staff to make a presentation on the technology of the automated train control system. Also, he felt that the Commission should take a policy position on the Bayshore Corridor Study.

Mr. Peter Erlich stated that he was concerned that the conversion from motor coach to trolley coach on the 31-BALBOA would not include wheelchair lift equipment. He inquired as to how many trolley coaches would be obtained for the 31-BALBOA line. Mr. Stein replied that 15 to 18 trolley coaches would be leased from the Seattle Metro Transportation Board in the interim until Muni receives its new trolley coaches and then the conversion to make the line wheelchair accessible would be possible.

THEREUPON THE MEETING WAS ADJOURNED: 3:20 P.M.

Romaine A. Boldridge
Secretary

2
91
MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos

Mayor

REGULAR MEETING

Room 282, City Hall

2:00 P.M.

November 12, 1991

DOCUMENTS DEPT.

COMMISSIONERS

Sherri Chiesa, President

Gordon Chin, Vice President

H. Welton Flynn

Arthur V. Toupin

NOV 25 1991

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DEPARTMENTS

Hetch Hetchy Project

Municipal Railway

Water Department

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Energy Conservation

Engineering and
Construction Management

Financial Management

Information Systems

Management Efficiency and
Productivity

Personnel and Training

Thomas J. Elzey

GENERAL MANAGER

Romaine A. Boldridge

SECRETARY

Call to Order: 2:10 P.M. ,

Present: President Sherri Chiesa, Vice President Gordon Chin,
Commissioner Arthur V. Toupin

Excused: Commissioner H. Welton Flynn

On motion of Toupin, seconded by Chin, the Minutes of the regular meeting of November 12, 1991 were approved.

A tape of the meeting is on file in the Office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Toupin, seconded by Chin, the following resolution was adopted:

91-0366 MR Requesting the Controller to draw warrants in payment of claims against the San Francisco Municipal Railway, totalling \$18,500.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Toupin, seconded by Chin, the following resolution was adopted:

91-0367 GM Cancelling the December 24, 1991 regular meeting of the Public Utilities Commission.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Toupin, seconded by Chin, the following resolution was adopted:

91-0368 WD Accepting the work performed under San Francisco Water Department Contract No. WD-2000, San Andreas Water Treatment Plant Expansion, as satisfactorily completed; approving Contract Modification No. 10 (Final) in the credit amount of \$12,744; authorizing an extension of time for unavoidable delays of 192 calendar days; and authorizing final payment in the amount of \$37,610 to Swinerton and Walberg Company, Contractor.

VOTE: Ayes - Chiesa, Chin, Toupin

RESOLUTION
NO.

On motion of Toupin, seconded by Chin, the following resolution was adopted:

91-0369 WD Accepting the work performed under San Francisco Water Department Contract No. WD-2056, Bay Division Pipelines No. 1 and 2 - Timber Trestle Repairs, as satisfactorily completed; approving Debit Contract Modification No. 1 in the amount of \$38,575.81 and credit to the City in the amount of \$4.14; authorizing an extension of time of 19 calendar days for additional work; authorizing transfer of funds in the amount of \$26,000 from the Facilities Pipeline Inspections account; and authorizing final payment in the amount of \$38,575.81 to Stacey and Witbeck, Inc., Contractor.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Toupin, seconded by Chin, the following resolution was adopted:

91-0370 HH Awarding Hetch Hetchy Water & Power Contract No. HH-831, Moccasin Powerhouse Interior Repair and Painting, in the amount of \$59,450 to River City Painting, Inc., Sacramento, CA.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Toupin, seconded by Chin, the following resolution was adopted:

91-0371 MR Requesting the Board of Supervisors' approval to extend the time for award of Municipal Railway Contract No. MR-889R, Flynn Facility Modifications.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Toupin, seconded by Chin, the following resolution was adopted:

91-0372 MR Approving Debit Contract Modification No. 1 in the amount of \$99,797.41 for additional work to the San Francisco Municipal Railway Contract No. MR-1022, Metro Yards - Security Fencing & Gates, Woods Yard - Security Fencing & Gates; and approving an extension of time of 150 calendar days to Oakland Fence Company, Contractor.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Toupin, seconded by Chin, the following resolution was adopted:

91-0373 MR Ratifying an Agreement and Release to San Francisco Municipal Railway Contract No. MR-1022, Metro Yards - Security Fencing & Gates, Woods Yard - Security Fencing & Gates; and authorizing an extension of time of 14 calendar days to Oakland Fence Company, Contractor.

VOTE: Ayes - Chiesa, Chin, Toupin

RESOLUTION
NO.

On motion of Toupin, seconded by Chin, the following resolution was adopted:

91-0374 PT Approving the Non-Civil Service and Temporary appointments and removals as indicated on the Temporary Employment Activity Roster, for the month of September 1991.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Toupin, seconded by Chin, the following resolution was adopted:

91-0375 WD Authorizing the General Manager of Public Utilities to negotiate and execute an agreement with the State Department of Fish and Game for the sale of 5,920 acre feet of water originally purchased from the Placer County Water Agency.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Toupin, seconded by Chin, the following resolution was adopted:

91-0376 WD Authorizing the General Manager of the Water Department to advertise a Request-for-Proposals (RFP) from interested professional consulting firms to perform a requirement analysis and prepare a master plan for a total utility Supervisory Control and Data Acquisition (SCADA) system.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0377 MR Authorizing the Municipal Railway to modify the existing contract with Booz-Allen & Hamilton, Inc. to support the procurement of Light Rail Vehicles (Phase II), increasing the amount by \$4,174,684 for a total cost not-to-exceed \$5,171,882, extending the time to complete the contract to June 30, 1996; and certification of \$370,095 for the first year of consultant support.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0378 MR Authorizing and directing the Municipal Railway to extend the route of the 1-CALIFORNIA across Market to Howard Street; authorizing partial discontinuance of 1-CALIFORNIA service during weekday, daytime periods on Clay Street between Davis and Drumm Streets, and on Drumm Street between Clay and Sacramento Streets; and requesting the Board of Supervisors not to disapprove partial discontinuance of service.

VOTE: Ayes - Chiesa, Chin, Toupin

RESOLUTION
NO.

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0379 MR Authorizing the San Francisco Municipal Railway to modify the contract with New Flyer Industries Limited for an amount, excluding sales tax, not-to-exceed \$15,300,000 to purchase (25) additional Articulated Trolley Coaches.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0380 MR Authorizing the San Francisco Municipal Railway to modify the contract with New Flyer Industries Limited for the purchase of (24) 60-Foot Articulated Diesel Coaches by incorporating the Master Resolution List; providing for additional parts and equipment valued at \$337,900; increasing the contract amount by \$50,000; and offsetting liquidated damages amounting to \$287,000.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Toupin, seconded by Chin, the following resolution was adopted:

91-0381 MR Authorizing the San Francisco Municipal Railway to re-advertise for the procurement of an Advanced Train Control System (ATCS) for the subway portion of the Muni Metro.

VOTE: Ayes - Chiesa, Chin, Toupin

On motion of Chin, seconded by Toupin, the following resolution was adopted:

91-0382 UEB Authorizing the General Manager of Public Utilities to enter into an agreement with the City of Daly City, upon Board of Supervisors approval of the indemnification clause, to reconstruct the overhead trolley system for the 14-Mission trolley line.

VOTE: Ayes - Chiesa, Chin, Toupin

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

Report of the General Manager

Early Retirement (Proposition A) and Hiring Freeze

Mr. Thomas J. Elzey, General Manager, Public Utilities Commission, stated that Proposition A (an early retirement incentive) was passed November 5, 1991 by the San Francisco voters. Proposition A provides early retirement incentives and requires that the greater of 50% or 500 positions vacated by retirees be abolished in the 1992/93 budget. Just what impact this measure would have on the Water Department, Hetch Hetchy Water and Power, Municipal Railway and the PUC bureaus is unclear in terms of which positions would be exempt.

Mr. Elzey stated that the employee's option to take advantage of Proposition A is completely voluntary. Staff cannot solicit from employees whether or not they plan to retire, take actions to induce employees to take advantage of early retirement or discuss their options. If an employee seeks advice from a manager or department head regarding their options they will be referred to the Retirement Board. An employee who chooses to take advantage of early retirement has the option to tell their manager or not, or may choose to begin the process and on the very last day change their mind. So despite what some might think to be an orderly planning process for early retirement, it is difficult for a manager to plan around these constraints. The City Attorney's Office will be issuing a memorandum through the Mayor's Office which will lay out guidelines to departments for the granting of unvested sick leave and vacation time during this time period.

In addition, the Mayor has instituted a hiring freeze. To what extent that hiring freeze will affect the PUC is unclear. Mr. Elzey stated that no requisition to fill a vacant position would be approved by the Mayor's Office unless the position meets certain criteria. The Mayor's Office is going to be looking very closely at each request to fill a vacant position, dealing with them on a case by case basis.

Budget Schedule

Mr. Elzey said that staff had not yet received any specific budget instructions from the Mayor's Office for Fiscal Year 1992/93. What staff has received is technical information about how the budget should be submitted in terms of form. But staff does not know what kind of constraints will be placed on a department with regard to the General Fund, whether to add or maintain or delete positions for next year's budget.

Mr. Elzey stated that until they receive specific budget instructions, it would be difficult for the department to begin developing different types of strategic budgetary issues for the Commission to review. It is anticipated that the budget instructions would be received sometime in December. Until then, staff will be moving forward with the normal budget planning process. Mr. Elzey noted that the Commission requested that staff provide an advance list of budget policy issues prior to the budget process. Mr. Elzey recommended that staff be allowed to provide that information to the Commission by January 3, 1992. Tentatively, the first public hearing would be scheduled for January 14, 1992 to review Muni's proposed budget and, thereafter on January 28, 1992 a second public hearing would be set up to discuss the Water Department, Hetch Hetchy Water and Power and the Bureau's budgets which have to be submitted to the Mayor's Office by February 14, 1992.

Commissioner Chin asked what the worse case senario would be for the various departments if those who were eligible took advantage of Proposition A.

Mr. Elzey responded that he would provide the potential worse case senario to the Commission but that there still is no way of knowing just how many employees will take advantage of early retirement. He said that he hopes that since the Water Department and Hetch Hetchy Water and Power are enterprise funds that they would be completely exempt. Steps are being taken in terms of talking to the Mayor's Office and the Controller's Office to make sure that happens. But the City's overall budgetary status with regard to anticipated revenues won't be available until late December.

Commissioner Chin asked what was the system of ultimate approval for filling these vacant positions.

Mr. Elzey replied that a committee of three, consisting of the Controller, Mayor, and Civil Service General Manager, will sit and review each and every position on a case by case basis to determine whether or not to fill a vacant position. It won't be on a first come first served basis. Currently, there are no guidelines established as to when that Committee will meet to deliberate, how they will deliberate or what the process and procedures would be. It is very clear how the retirement system will treat employees who are eligible to retire under Proposition A, but it is unclear how the City will respond to replacing those employees.

Transit Shelter Update

Mr. Lew Lillian, Vice President, Gannett Outdoor, Inc., gave an update on the Transit Shelter Program. He stated that there were currently 1,000 shelters in place with approximately 260 phones installed by Pacific Bell. Out of the 1,000 shelters, 982 shelters are illuminated. Five nights a week the shelters are checked by a illumination patrol unit. The problem of broken glass in the shelters has slowed down tremendously over the past year with only an average of 3 to 6 shelters per week being vandalized. He presented photographs of shelters constructed of perforated steel and plexiglass which have held up very well against breakage.

Mr. Lillian remarked that the graffiti problem in the shelters has improved throughout the City. He stated that the superintendent of Lowell High School wants to adopt the shelters in their neighborhood so that their students can receive community service credit for maintaining the shelters. Mr. Lillian also noted that the Gannett Shelter Project in San Francisco was the number one City contractor in women and minority compliance.

Mr. David Pilpel remarked that for safety reasons he would like to see additional phones installed at more locations and that all the shelters be illuminated.

Revenue Collection and Counterfeit Fast Passes

Mr. Elzey made reference to an article in the newspaper about a theft of Muni funds. He reported that staff was initiating a management audit of the PUC revenue collection process as a result of this occurrence. The media also commented on counterfeit Fast Passes that were being circulated. Staff is looking at various

ways in which to solve this problem. One short range solution would be to devise a sticker that could be put on Fast Passes which cannot be duplicated. The second solution would be to possibly retrofit the fareboxes with card swipe readers on the buses to accommodate a sliding Fast Pass card which would not only help staff detect counterfeit passes but would also give Muni better ridership information.

President Chiesa inquired as to when the problem of counterfeit Fast Passes could be solved. Mr. Elzey responded that if the option for stickers were implemented, the time frame would be around January 1, 1992. If the option to retrofit the fareboxes with a card swipe reader was chosen, then that would be completed by March 1992.

President Chiesa asked if the passenger boarding process would be slowed down by implementation of the card swipe readers and what other transit systems use them. Mr. Elzey replied that it could cause some delay depending upon the kind of machine that is installed and the position of the machine. Card swipe readers are currently being used by Miami and Spokane transit authorities and Seattle Transit Authority is in the process of purchasing them as well.

Commissioner Chin inquired if it were possible to determine the loss in revenue that is occurring due to counterfeit Fast Passes. Mr. Elzey stated that possibly that could be determined by whatever net increase in revenue Muni receives as a result of implementing these changes.

Resolution No. 91-0375 -- Authorizing the General Manager of Public Utilities to negotiate and execute an agreement with the State Department of Fish and Game for the sale of 5,920 acre feet of water originally purchased from the Placer County Water Agency.

Mr. John P. Mullane, General Manager, Water Department, explained that currently 5,920 acre feet of the water purchased from Placer County Water Agency is being held at Folsom Reservoir which must be moved as soon as possible to avoid any spillage. Mr. Mullane said there were three options the department could take regarding the 5,920 acre feet of water at Folsom Reservoir. The first option would be to let the water spill, whereby the department would take a loss on the total price paid for the water. The second option would involve substantial transportation costs incurred by transporting the water to San Luis Reservoir where the potential for spillage is also high. The third option, which staff is recommending, would be to sell the 5,920 acre feet of water to the Department of Fish and Game to meet their fish related releases. Mr. Mullane stated that this would recapture about one third of the cost paid to Placer County Water Agency for the purchase of water. In addition, the department would be making a contribution to the environment and establish credibility with the various regulatory agencies.

On motion of Commissioner Toupin, seconded by Commissioner Chin, Resolution No. 91-0375 was approved.

Resolution No. 91-0376 -- Authorizing the General Manager of the Water Department to advertise a Request-for-Proposals (RFP) from interested professional consulting firms to perform a requirement analysis and prepare a master plan for a total utility Supervisory Control and Data Acquisition (SCADA) system.

Mr. Mullane stated that SCADA is a highly sophisticated and automated computerized system that would allow the department to determine where the water is in the system, monitor system performance, help identify and analyze problems in the system, and operate and adjust the system. He said that the length of time involved in developing this program would take approximately 6 years at a cost of \$1 million per year. Staff is requesting that the Commission authorize an RFP so that the department could solicit a consultant to help develop a plan that could be used in soliciting the actual preparation of the SCADA system.

Commissioner Toupin inquired if there would be any cost savings once the SCADA system is operational. Mr. Mullane responded that overall cost savings would not be seen. Basically, the implementation of the SCADA system would allow the department to perform its job more efficiently.

On motion of Commissioner Toupin, seconded by Commissioner Chin, Resolution No. 91-0376 was approved.

Resolution No. 91-0378 -- Authorizing and directing the Municipal Railway to extend the route of the 1-CALIFORNIA across Market to Howard Street; authorizing partial discontinuance of 1-CALIFORNIA service during weekday, daytime periods on Clay Street between Davis and Drumm Streets, and on Drumm Street between Clay and Sacramento Streets; and requesting the Board of Supervisors not to disapprove partial discontinuance of service.

Mr. Peter Straus, Director of Strategic Planning, Municipal Railway, stated that over the years there has been significant growth in ridership south of Market Street. Approval of this resolution would authorize the Municipal Railway to extend the 1-CALIFORNIA line during the peak hours across Market Street via Davis and Beale to a terminal on Howard, returning via Main to the regular route and out Sacramento. Not only would extension of the 1-CALIFORNIA line provide access to white collar jobs south of Market but also provide access between Chinatown and the garment industry jobs south of Market. Mr. Straus stated that the operating costs for this extension would be funded from the Transit Impact Development Fee (TIDF).

Mr. Pilpel spoke in support of the extension of the 1-CALIFORNIA line. He said that he was interested in what service enhancements were TIDF funded. Mr. Angelo Figone, General Superintendent of Schedules, Municipal Railway, responded that TIDF improvements for the Municipal Railway are currently underway. He described some of Muni's service enhancements, such as: peak service improvements on the 15 line; additional coaches to provide more reliable service on the 9ABX; extended service hours on trolley coach 41 line; and, service improvements on motor coach line 30-EXPRESS from the Marina.

On motion of Commissioner Chin, seconded by Commissioner Toupin, Resolution No. 91-0378 was approved.

Public Comments

Mr. William C. Cooke, President, Healy Tibbitts Builders, Inc., requested that the Commission follow through with the award of Hetch Hetchy Water and Power Contract No. HH-830 made at the October 8, 1991 Commission meeting. He stated that Healy Tibbitts Builders, Inc. was a local business enterprise both under the 1989 and 1991 ordinances. He was of the opinion that the Commission reaffirm its earlier award to Healy Tibbitts Builders, Inc. despite any protest from Creamer Brothers, Inc.

Mr. Paul J. Laveroni, Attorney for Healy Tibbitts Builders, Inc., remarked that the court denied the preliminary injunction initiated by Creamer Brothers, Inc. He stated there was no legal reason why the PUC could not award the contract to Healy Tibbitts Builders, Inc. and that failure to go forward could damage a local entity and allow Creamer Brothers to achieve an award they were not entitled to.

Mr. James P. Watson, Attorney for Creamer Brothers, Inc., said that the PUC's General Counsel stated before Judge Pollock that it was staff's recommendation to reject all bids for Contract No. HH-830 and authorize readvertisement. Creamer Brothers, Inc. has had no opportunity to examine the corporate documents that were presented to the court by Healy Tibbitts Builders, Inc. Mr. Watson stated that the lawsuit currently pending against the PUC and Healy Tibbitts Builders, Inc. would not be dismissed unless the contract was open for rebid.

Mr. Proctor Jones commented on the noise caused by the 83 bus line in his neighborhood and stated that Muni was currently conducting a study on the 83 line. He requested, in the interim, that the Commission approve a temporary schedule which would give relief to the neighborhood from the noise caused by the 83 line.

Mr. Robert Owen, representing the Sign and Display Union, brought to the Commission's attention a problem that exists between their union members and Carters and Posters, Inc., a subcontractor of Transportation Displays, Inc., which does advertising for the Municipal Railway. He stated that Carters and Posters was in arrears in payments into the employees' retirement fund, that there was no current workers' compensation plan and that they were two months in arrears in union dues which are being withheld from the workers. Also, payroll is not being met on a timely basis.

Mr. Elzey responded that he had met with the President of Transportation Displays, Inc. and representatives of the Sign and Display Union to resolve this problem. President Chiesa emphasized that due to the nature of this problem that staff move expeditiously to resolve this matter.

Mr. Pilpel inquired as to the progress being made on the 31-BALBOA line and whether or not the project was scheduled to be completed by March or April of 1992. He also expressed his concerns regarding the delay in receiving budget instructions from the Mayor. Mr. Pilpel was of the opinion that staff should examine the structure of PUC as a whole, especially restructuring of the PUC bureaus, in light of the current budget crisis. He also stated that if staff decides to go forward with the implementation of the card swipe readers on all the Muni vehicles, it would have a significant impact on boarding time and was of the opinion that the decision to go ahead with that project would require Commission approval.

THEREUPON THE MEETING WAS ADJOURNED: 3:43 P.M.

Romaine A. Boldridge
Secretary

MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos

Mayor

REGULAR MEETING

Room 282, City Hall

2:00 P.M.

November 26, 1991

COMMISSIONERS

Sherri Chiesa, President

Gordon Chin, Vice President

H. Welton Flynn

Arthur V. Toupin

Nancy G. Walker

DOCUMENTS DEPT.

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DEPARTMENTS

Hetch Hetchy Project

Municipal Railway

Water Department

BUREAUS

Energy Conservation

Engineering and
Construction Management

Financial Management

Information Systems

Management Efficiency and
Productivity

Personnel and Training

Thomas J. Elzey

GENERAL MANAGER

Romaine A. Boldridge

SECRETARY

Call to Order: 2:05 P.M.

Present: President Sherri Chiesa, Vice President Gordon Chin,
Commissioner Arthur V. Toupin, Commissioner H. Welton
Flynn, Commissioner Nancy G. Walker

On motion of Toupin, seconded by Flynn, the Minutes of the regular meeting of November 12, 1991 were approved.

A tape of the meeting is on file in the Office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0383 MR Requesting the Controller to draw warrants in payment of claims against the San Francisco Municipal Railway, totalling \$300,000.

VOTE: Ayes - Chin, Flynn, Toupin, Walker
Excused - Chiesa

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0384 FM Approving collection of charges for damages for the month of October 1991, against the San Francisco Municipal Railway from miscellaneous debtors in the amount of \$7,191.70 and write-off compromise reductions for comparative negligence in the amount of \$552.31; and Bureau of Light, Heat & Power from miscellaneous debtors in the amount of \$230.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Walker

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0385 WD Awarding San Francisco Water Department Contract No. WD-2052, 8-Inch Ductile Iron Main Installation in Fremont Street between Market and Harrison Streets, in the amount of \$198,380 to Shaw Pipeline, Inc., San Francisco, CA; and requesting Board of Supervisors' approval to extend the time for award of this contract.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Walker

RESOLUTION
NO.

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0386 MR Awarding San Francisco Municipal Railway Contract No. MR-893, Procurement of Special Trackwork for San Francisco Municipal Railway J & M Layover Terminals, in the amount of \$1,053,900 to A & K Railroad Materials, Inc., Salt Lake City, Utah.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Walker

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0387 PT Approving the Non-Civil Service and Temporary appointments and removals as indicated on the Temporary Employment Activity Roster, for the month of October 1991.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Walker

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0388 GM Approving execution of the Real Property Ownership Agreement between the Peninsula Commute Joint Powers Board (JPB) and its member agencies; and urging the Board of Supervisors to authorize the Mayor to execute the Agreement.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Walker

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0389 WD Authorizing the General Manager of Public Utilities to proceed with the issuance of not-to-exceed \$135,000,000 principal amount of San Francisco Water Revenue Bonds, 1992 Refunding Series A, for the purpose of refunding the 1987 Bonds in accordance with Section 7.300(5) of the Charter.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Walker

On motion of Chin, seconded by Flynn, the following resolution was adopted:

91-0390 MR Authorizing the General Manager of Public Utilities to execute Cooperative Agreement No. RM-67 with Caltrans to direct the Municipal Railway Data Collection staff to conduct ridership counts and data collection services, beginning December 1, 1991.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Walker

RESOLUTION
NO.

On motion of Flynn, seconded by Chin, the following resolution was adopted:

91-0391 FM Authorizing the General Manager of Public Utilities to modify agreement with Ferguson and Company for an extension of time from 12/31/91 to 12/31/92 for auditing and consulting services on an "as-needed" basis.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Walker

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0392 FM Authorizing the General Manager of Public Utilities to modify agreement with Williams, Adley & Company for an extension of time from 12/31/91 to 12/31/92 for auditing and consulting services on an "as-needed" basis.

VOTE: Ayes - Chiesa, Chin, Flynn, Toupin, Walker

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

Announcement

President Chiesa welcomed on behalf of the Commission, Commissioner Nancy G. Walker to the Public Utilities Commission.

Old Business

President Chiesa requested an update on the status of the theft of Muni funds. Mr. Thomas J. Elzey, General Manager, Public Utilities Commission, replied that a comprehensive management and security audit had already been initiated on the PUC revenue collection process.

Ms. Michelle N. Witt, Acting Finance Director, Bureau of Finance, noted that Muni is installing new fareboxes on the buses that would actually read how much money is being deposited by the passenger. She said that the new fareboxes had been installed in vehicles in three of Muni's divisions: Potrero, Presidio and Flynn. She said that Muni would also be installing these new fareboxes on the LRV's in the month of December 1991.

Ms. Witt said that in addition to the permanent fareboxes being installed, there would be two temporary changes that would take place. The first would be to rotate Muni's revenue collectors between divisions, especially divisions where the old fareboxes are still in place. The second temporary change would be to rotate the Burns security guards so that the guards would no longer accompany the same revenue collectors.

Commissioner Chin requested that staff incorporate in the upcoming budget hearings not only the issue of counterfeit Fast Passes, but the implementation of Muni's new farebox system and any costs incurred in the rotation process.

Mr. Elzey stated that the audit probably would not be completed in time for the budget hearings, but that staff would keep the Commission updated through interim reports.

Commissioner Flynn remarked that some time ago the PUC hired Deloitte, Haskins & Sells to perform an audit on a similar situation. He asked staff to determine if the procedures that were put in place at that time were still in place when this theft took place.

New Business

Commissioner Chin requested that the report prepared by California Urban Water Agencies on the Cost of Industrial Water Shortages be distributed to the business representatives that testified during the water rationing hearings.

Resolution No. 91-0383 -- Requesting the Controller to draw warrants in payment of claims against the San Francisco Municipal Railway, totalling \$300,000.

President Chiesa requested that she be allowed to abstain from voting due to a conflict of interest. Commissioner Walker moved to excuse President Chiesa from voting on this item. Commissioner Toupin seconded, and the motion was approved.

On motion of Commissioner Flynn, seconded by Commissioner Toupin, Resolution No. 91-0383 was approved.

Resolution No. 91-0386 -- Awarding San Francisco Municipal Railway Contract No. MR-893, Procurement of Special Trackwork for San Francisco Municipal Railway J & M Layover Terminals, in the amount of \$1,053,900 to A & K Railroad Materials, Inc., Salt Lake City, Utah.

Mr. David Pilpel made reference to a public meeting to be conducted by staff on December 9, 1991 to discuss the J & M Layover Terminals project. He asked if this meeting was to discuss whether the Commission should purchase the rail or if a decision had already been made to proceed with this project in advance of the scheduled meeting.

Mr. Ken Jew, Project Manager, Utilities Engineering Bureau, stated that this project has to be completed by April 1993 but that the procurement of the rail must be purchased before construction of the J & M Terminals begin.

Commissioner Walker asked whether the purpose of the public meeting was to allow the community to change the course of the project. Mr. Johnny B. Stein, General Manager, Municipal Railway, responded that 4 or 5 years ago staff held community meetings on the project. The agenda for the December 9th public meeting will be simply to explain to the public the construction phase of the project and the impact this project would have on the various communities.

On motion of Commissioner Flynn, seconded by Commissioner Toupin, Resolution No. 91-0386 was approved.

Resolution No. 91-0388 -- Approving execution of the Real Property Ownership Agreement between the Peninsula Commute Joint Powers Board (JPB) and its member agencies; and urging the Board of Supervisors to authorize the Mayor to execute the Agreement.

Mr. Elzey remarked that the execution of the Real Property Ownership Agreement between the JPB and its member agencies was just another part of the process to acquire the Peninsula Commute right-of-way. San Mateo County Transit District (SamTrans) has agreed to advance a portion of the funds, totalling \$96 million, which is required to close the deal. Mr. Elzey stated that joint ownership of the right-of-way would be between the JPB and SamTrans pending repayment from the other member agencies. The City and County of San Francisco's obligation for repayment to SamTrans would be through a real estate transfer.

Mr. Pilpel stated that he hoped that execution of this Agreement did not include the transfer of Muni's 40-Line right-of-way property. Ms. Robin Reitzes, Deputy City Attorney, Public Utilities Commission, replied that this was an ownership agreement to provide security to SamTrans because they were advancing the \$96 million to close the purchase.

On motion of Commissioner Toupin, seconded by Commissioner Flynn, Resolution No. 91-0388 was approved.

Resolution No. 91-0389 -- Authorizing the General Manager of Public Utilities to proceed with the issuance of not-to-exceed \$135,000,000 principal amount of San Francisco Water Revenue Bonds, 1992 Refunding Series A, for the purpose of refunding the 1987 Bonds in accordance with Section 7.300(5) of the Charter.

Ms. Jean Mariani, Special Projects Manager, Finance Bureau, requested that the Commission approve the refunding of the 1987 Water Revenue Bonds. Currently, interest rates are at a twelve year low and significant savings would be achieved if the bonds were refunded at this time. She stated that this resolution would authorize the General Manager of the Public Utilities Commission to select the underwriters for the issuance of the bonds, to prepare necessary documents and an official statement. Prior to issuing the bonds, staff would return to the Commission with the final documents for their approval.

Commissioner Walker asked if there was a downside in refunding the 1987 Water Revenue Bonds. Ms. Mariani replied that the only downside to refunding the 1987 Bonds would be that the indenture could not be accessed if staff wanted to make any changes to the indenture.

Commissioner Chin inquired if other City departments were refunding their bonds given the current market conditions. Mr. Elzey replied that he didn't know since there was no central mechanism within City government tracking bond transactions.

Commissioner Chin asked how the annual savings of \$465,000 would affect the 1992/93 budget. Ms. Mariani responded that the debt service in the Water Department's budget would be reduced by \$465,000.

Commissioner Flynn asked who were the underwriters for the bonds. Mr. Elzey stated that approval of this resolution would allow the General Manager to select the underwriters for the bonds. Therefore, a Request-for-Proposal (RFP) must be prepared to be able to make such a selection.

Commissioner Flynn stated he was concerned about minority participation in the selection process of the underwriters and requested that staff inform the Commission of their selection before the final documents are executed.

On motion of Commissioner Flynn, seconded by Commissioner Chin, Resolution No. 91-0389 was approved.

Item No. 11 -- Authorizing the General Manager of the Water Department to amend the existing contract with Information and Support Services to fund the second 12 months of the 36-month agreement by authorizing an additional \$150,000 for the design, implementation and administration of a system-wide Water Education Program. (Continued to the December 10, 1991 meeting)

Mr. John P. Mullane, General Manager, Water Department, stated that on January 9, 1990 the Public Utilities Commission authorized a two year contract with Information and Support Services (ISS) with an option to extend the contract for an additional year for the development of a system-wide water education package for grades kindergarten through 12th. During the first year of the contract, ISS developed a curriculum which was geared towards the 4th through 6th grades involving the preparation of student workbooks and teacher guides, teacher training, and a distribution system for educational services. The second year of the contract had already been approved but because the funding is annual, staff is requesting approval of the amount of \$150,000 for the second year funding.

Mr. Mullane stated that funding was no longer available to ISS as of June 30, 1991. Due to a tactical error on staff's part, ISS continued work beyond that time. The City Attorney had advised staff that once the funding mechanism was approved by the Commission, then payment to ISS could be made retroactively for work performed.

Commissioner Chin remarked that this water educational program for the schools was very important and requested that staff prepare a more detailed report in terms of what ISS has accomplished up to this point before any action is taken by the Commission.

Commissioner Flynn requested that all departments prepare a report listing the contracts in existence where they may have expired and where we are incurring liability beyond what has been authorized by the Commission.

Commissioner Toupin moved to continue this item to the December 10, 1991 meeting. Commissioner Flynn seconded. The item was continued.

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MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Art Agnos

Mayor

REGULAR MEETING

Room 282, City Hall

2:00 P.M.

December 10, 1991

COMMISSIONERS

Sherri Chiesa, President

Gordon Chin, Vice President

H. Welton Flynn

Arthur V. Toupin

Nancy G. Walker

DEPARTMENTS

Hetch Hetchy Project

Municipal Railway

Water Department

BUREAUS

Energy Conservation

Engineering and
Construction Management

Financial Management

Information Systems

Management Efficiency and
Productivity

Personnel and Training

Thomas J. Elzey

GENERAL MANAGER

Romaine A. Boldridge

SECRETARY

Call to Order: 2:14 P.M.

Present: President Sherri Chiesa, Commissioner Arthur V. Toupin,
Commissioner H. Welton Flynn, Commissioner Nancy G. Walker

Excused: Vice President Gordon Chin

On motion of Commissioner Walker, seconded by Commissioner Flynn,
the Minutes of the regular meeting of November 26, 1991 were
approved.

A tape of the meeting is on file in the Office of the Secretary of
the Public Utilities Commission.

RESOLUTION
NO.

On motion of Toupin, seconded by Flynn, the
following resolution was adopted in Executive
Session:

91-0393 MR Approving settlement of Charles T. Baker v. City and
County of San Francisco, Superior Court No. 869-514.

VOTE: Ayes - Chiesa, Flynn, Toupin, Walker

On motion of Walker, seconded by Toupin, the
following resolution was adopted:

91-0394 MR Approving the Municipal Railway Americans with
Disabilities Act Paratransit Service Plan and
directing staff to submit this plan to the
Metropolitan Transportation Commission and the Urban
Mass Transportation Administration.

VOTE: Ayes - Chiesa, Flynn, Toupin, Walker

On motion of Toupin, seconded by Flynn, the
following resolution was adopted:

91-0395 MR Requesting the Controller to draw warrants in
payment of claims against the San Francisco
Municipal Railway, totalling \$29,000.

VOTE: Ayes - Flynn, Toupin, Walker
Excused - Chiesa

On motion of Walker, seconded by Flynn, the
following resolution was adopted:

91-0396 WD Approving the plans and specifications as prepared
and recommended by staff, and authorizing Bid Call
for San Francisco Water Department Contract No.
WD-2093, 6-Inch Ductile Iron Main Installation in
Perry, Stillman, Freelon, Welsh, Zoe and Ritch
Streets.

VOTE: Ayes - Chiesa, Flynn, Toupin, Walker

RESOLUTION
NO.

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0397 WD Designating Tuesday, January 28, 1992, at 2:00 p.m., in Room 282, City Hall, San Francisco as the date, time and place for a public hearing to consider adoption of the Urban Water Shortage Contingency Plan.

VOTE: Ayes - Chiesa, Flynn, Toupin, Walker

On motion of Walker, seconded by Toupin, the following resolution was adopted:

91-0398 MR Accepting the work performed under San Francisco Municipal Railway Contract No. MR-1024, Woods Facility - Furnish and Install Combination Automatic Lock and Non-Rotator Plungers for Existing Hoists; approving Debit Contract Modification No. 3 in the amount of \$2,912.13; authorizing an extension of time of 166 calendar days; and authorizing final payment in the amount of \$9,660.08 to Ferris Hoist and Repair, Contractor.

VOTE: Ayes - Chiesa, Flynn, Toupin, Walker

On motion of Walker, seconded by Toupin, the following resolution was adopted:

91-0399 PT Approving extension to the existing lease of 12,066 square feet of office space at 1155 Market Street for the Bureau of Personnel and Training for a term of 5 years, commencing on January 1, 1992.

VOTE: Ayes - Chiesa, Flynn, Toupin, Walker

On motion of Walker, seconded by Toupin, the following resolution was adopted:

91-0400 HH Rejecting all bids on Hetch Hetchy Water and Power Contract No. HH-829, O'Shaughnessy Septic System Rehabilitation Phase II; and authorizing readvertisement of the work as Contract No. HH-829R.

VOTE: Ayes - Chiesa, Flynn, Toupin, Walker

On motion of Toupin, seconded by Walker, the following resolution was adopted:

91-0401 GM Directing the General Manager of Public Utilities to recommend an action to the Commission regarding the Transportation Displays, Inc. Agreement no later than January 14, 1991.

VOTE: Ayes - Chiesa, Flynn, Toupin, Walker

RESOLUTION
NO.

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0402 WD Approving the terms and conditions and authorizing the execution of a 173 acre agricultural lease to Pacific Nurseries of California, Inc. and Mission Valley Rock Company, as co-lessees, of certain real property under the jurisdiction of San Francisco Water Department, for a term of three (3) years with an option for an additional three (3) years, commencing January 1, 1992 and terminating December 31, 1994, at an annual rental of \$17,300 for the purpose of farming in Sunol Valley.

VOTE: Ayes - Chiesa, Flynn, Toupin, Walker

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0403 WD Authorizing the General Manager of the Water Department to extend a Memorandum-of-Understanding (MOU) with the Bay Area Water Users Association (BAWUA) in order to initiate a regional groundwater assessment study in the Water Department's service areas within San Mateo, Santa Clara and Alameda Counties.

VOTE: Ayes - Chiesa, Flynn, Toupin, Walker

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0404 WD Authorizing the General Manager of the Water Department to amend the existing contract with Information and Support Services to fund the second 12 months of the 36-month agreement by authorizing an additional \$150,000 for the design, implementation and administration of a system-wide Water Education Program.

VOTE: Ayes - Chiesa, Flynn, Toupin, Walker

On motion of Walker, seconded by Flynn, the following resolution was adopted:

91-0405 HH Authorizing the General Manager of Public Utilities to execute the Fifth Amendment with Grueneich, Ellison & Schneider, increasing the amount by \$396,000, for a total not-to-exceed \$1,290,000 for legal services pertaining to water supplies.

VOTE: Ayes - Chiesa, Flynn, Toupin, Walker

RESOLUTION
NO.

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0406 HH Authorizing the General Manager of Public Utilities to negotiate and execute a standard form contract for confidential economic consulting services related to the Urban Water Management Plan Act, Bay Delta hearings and for services related to Federal Energy Regulatory Commission matters with David M. Dornbusch & Company with terms up to June 30, 1993.

VOTE: Ayes - Chiesa, Flynn, Toupin, Walker

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0407 HH Authorizing the General Manager of Public Utilities to negotiate and execute a standard form contract for confidential economic consulting services related to the Urban Water Management Plan Act, Bay Delta hearings and for services related to Federal Energy Regulatory Commission matters with McLeod & Associates with terms up to June 30, 1993.

VOTE: Ayes - Chiesa, Flynn, Toupin, Walker

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0408 MR Authorizing and directing the Municipal Railway to increase peak period trolley coach service on the 9-SAN BRUNO line between the Ferry Building and 25th Street.

VOTE: Ayes - Chiesa, Flynn, Toupin, Walker

On motion of Toupin, seconded by Flynn, the following resolution was adopted:

91-0409 UEB Approving the Mission Bay Transportation Projects Agreement and California Environmental Quality Act (CEQA) findings; recommending Board of Supervisor's approval; and authorizing acceptance of deeds to parcels.

VOTE: Ayes - Chiesa, Flynn, Toupin, Walker

On motion of Flynn, seconded by Walker, the following resolution was adopted:

91-0410 UEB Authorizing the Manager of Utilities Engineering Bureau to execute Amendment No. 5 to the Professional Services Agreement with EIP Associates to provide environmental consultation and geotechnical support throughout the remainder of construction of the Calaveras Pipeline Replacement Project.

VOTE: Ayes - Chiesa, Flynn, Toupin, Walker

RESOLUTION
NO.

On motion of Flynn, seconded by Toupin, the following resolution was adopted:

91-0411 UEB Awarding San Francisco Hetch Hetchy Water & Power Contract No. HH-828R, Moccasin Penstock Saddle Replacement, in the amount of \$2,627,000 to Soil Engineering Construction, Inc.; and requesting Board of Supervisor's approval to extend the time for award of this contract.

VOTE: Ayes - Chiesa, Flynn, Toupin, Walker

On motion of Walker, seconded by Flynn, the following resolution was adopted:

91-0412 UEB Awarding San Francisco Municipal Railway Contract No. MR-868, Metro Center Improvement - Track Switch Electrification and Replacement, in the amount of \$359,000 to Shimmick Construction Company, Inc. and A. Ruiz Construction Company and Associates, AJV; and requesting Board of Supervisor's approval to extend the time for award of this contract.

VOTE: Ayes - Chiesa, Flynn, Toupin, Walker

On motion of Walker, seconded by Flynn, the following resolution was adopted:

91-0413 UEB Authorizing the Utilities Engineering Bureau to request proposals from environmental consulting firms to provide environmental consultant services for a period of twenty-four (24) months at a cost not-to-exceed \$250,000 to assist staff on various capital improvement projects.

VOTE: Ayes - Chiesa, Flynn, Toupin, Walker

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

Announcement

President Chiesa announced that the Commission met in Executive Session on December 10, 1991 and approved the settlement of Charles T. Baker v. City and County of San Francisco, Superior Court Case No. 869-514.

Report of the General Manager

Breda Transportation, Inc. - LRV Contract

Mr. Thomas J. Elzey, General Manager, Public Utilities Commission, reported that on Wednesday, December 4, 1991 the PUC had the opportunity to meet with representatives of Breda Costruzioni Ferroviarie of Pistoia, Italy to officially sign the contract for the delivery of 35 new light-rail vehicles (LRVs). He stated that Breda negotiated with the PUC a preliminary agreement for the City and County of San Francisco to be considered for the primary site location for final assembly of the new LRVs. Mr. Elzey stated that staff would be working very closely with Breda regarding this issue.

Public Hearing

Resolution No. 91-0394 -- Approving the Municipal Railway Americans with Disabilities Act Paratransit Service Plan and directing staff to submit this plan to the Metropolitan Transportation Commission and the Urban Mass Transportation Administration.

Ms. Annette Williams, Manager, Accessible Services Program, Municipal Railway, stated that the Department of Transportation requires that all public transit entities provide complementary paratransit services for disabled persons who cannot access regular fixed-route services, as a result of the passage of the Americans with Disabilities Act (ADA). The Municipal Railway's Complementary Paratransit Service Plan had been prepared by Cerenio Management Group which is required to be implemented over a maximum of a five-year period. Ms. Williams said that the Municipal Railway has always recognized the need for paratransit services in addition to accessible public transit services, realizing that these two services meet the needs of passengers with different types of disabilities. The Municipal Railway made extensive outreach efforts towards the community of persons with disabilities explaining the draft ADA Plan. As the ADA Plan was being drafted, it was reviewed by an ADA subcommittee of the Paratransit Coordinating Council and the Muni Accessibility Advisory Committee.

Ms. Williams summarized the components of the ADA Complementary Paratransit Service Plan, which included a description of both the current Muni fixed-route services, the accessible fixed-route services and the ADA eligibility process. Also, the Municipal Railway is participating on a regional level with the Metropolitan Transportation Commission (MTC) to develop a regional eligibility process so that people all over the Bay Area would be able to access paratransit services from one county to another. Ms. Williams further stated that staff was working on cooperative agreements with AC Transit, SamTrans, BART and Golden Gate to provide paratransit services within San Francisco.

Ms. Williams distributed to the Commission the staff's responses to earlier public input on the plan. Subjects covered include: fixed-route accessible vehicles; fares; coordination of travel between counties; the importance of self-assessment in the eligibility process; the use of certain terms related to the text of the plan; continued service for non-ADA paratransit users; the quality of current lift-van service; the need to address persons with environmental illnesses and multiple chemical sensitivities; the need for careful budget planning; whether travel training was going to be mandatory for all ADA paratransit applicants; and the policy for visitors using paratransit services for more than 21 days.

President Chiesa invited public comments.

Ms. Sun Chan commented that she has been a paratransit passenger for six or seven years which enabled her to go to school.

Mr. Bill Bruckner spoke in support of the plan, noting that paratransit users can now have 24-hour a day service, same day reservations, and that limitation on the number of trips provided to individuals utilizing the lift-van mode would be removed. He expressed his concern related to the eligibility criteria, travel training for the fixed-route system, the limitation of 21 days for visitors with disabilities, the appeals process, and the issue of eligibility for persons with environmental illness/multiple chemical sensitivities.

Ms. Faye Roberts stated that although she was not opposed to self-assessment or medical certification of disabled individuals, she was opposed to functional verification. She also spoke in opposition to any mandated travel training criteria. Ms. Roberts said that she hoped the ADA Plan would transcend to integration, inclusion and choice.

Ms. Barbara Schipper, representing the Paratransit Coordinating Council, commented that the Public Utilities Commission was meeting the needs of the public in terms of paratransit services.

Ms. Martha Cowan was of the opinion that the ADA criteria was taking away the paratransit user's choice of options and forcing the user to use public transportation as a mandatory requirement. She stated that she was in favor of travel training but that it should not be mandatory.

Ms. Celeste White expressed her concerns on eligibility criteria for paratransit services. She stated that she was opposed to any move to adopt functional testing as a main indicator of eligibility for paratransit services or the possible replacement of medical certification. She was of the opinion that people with disabilities should have the freedom to decide for themselves what transportation services would be best suited for them.

Mr. Phillip Seronick remarked that the Discount Card fare increase from \$2.50 to \$4.50 was to subsidize paratransit services and hoped that these services were being rendered.

Ms. Marianne Ades spoke in support of the ADA Plan as a whole. She expressed concern related to van service time of pick up, the use of lifts versus ramps on the LRVs, communication with the drivers, insurance requirements regarding use of seat belts, and the 20-minute taxicab response time.

Mr. Skip Alunan read a written statement on behalf of Maria Cavazos regarding the ADA Plan. Ms. Cavazos' statement expressed her fear in using fixed-route transportation and that the standardized eligibility process should include an individualized criteria screening in its policy.

Mr. Michael Kwok was of the opinion that the ADA criteria was more restrictive than the present criteria in the plan. He stated that all available funds should be spent for improving paratransit services.

Mr. Peter Mendoza spoke in opposition to functional testing in order to be certified. He suggested that whoever sits on the eligibility review panel respect the civil rights of the disabled.

Ms. Rochelle Frazier, Executive Director, Senior Escort Program, spoke in support of the ADA Plan but suggested that the PUC continue funding non-ADA eligible trips.

Ms. Susan Molloy, representing the Environmental Health Network, said that she was glad that the ADA Plan was finally addressing persons who have environmental illnesses/multiple chemical sensitivities and that it was critical that the travel trainers, eligibility reviewers, dispatch personnel, and driver and maintenance crews were aware of persons with this disability.

Mr. John Caillpau stated that he had an environmental illness condition and was looking forward to paratransit services that would make the vans a safer place for persons with environmental illnesses.

Commissioner Walker asked what the next step was regarding the ADA Paratransit Plan. Ms. Williams replied that the comments would be summarized and submitted with the ADA Plan to UMTA upon approval of the Commission.

The public hearing was closed.

On motion of Commissioner Walker, seconded by Commissioner Toupin, Resolution No. 91-0394 was approved.

Resolution No. 91-0395 -- Requesting the Controller to draw warrants in payment of claims against the San Francisco Municipal Railway, totalling \$29,000.

President Chiesa requested that she be allowed to abstain from voting on this item due to a conflict of interest. Commissioner Walker moved to excuse President Chiesa from voting on this item. Commissioner Flynn seconded, and the motion was approved.

On motion of Commissioner Toupin, seconded by Commissioner Flynn, Resolution No. 91-0395 was approved.

Resolution No. 91-0401 -- Directing the General Manager of Public Utilities to recommend an action to the Commission regarding the Transportation Displays, Inc. Agreement no later than January 14, 1991.

Mr. Elzey stated that Transportation Displays, Inc. (TDI) had requested a substitution of their subcontractor, Carders and Posters, Inc. due to poor performance on various issues such as liability insurance, payroll and quality of work. Carders and Posters, Inc. has disputed those allegations and has protested the proposed substitution. Mr. Elzey remarked that the proposed resolution would give the General Manager the authority to determine whether or not the substitution of a Disadvantaged Business Enterprise (DBE) subcontractor should be made and to report the decision to the Commission at the first meeting in January 1992.

Commissioner Walker asked the City Attorney to explain: 1) whether such a substitution could be made and by what authority; and, 2) if such a substitution could be made, who would make that decision and what would be the process. Ms. Robin Reitzes, Deputy City Attorney, responded that the PUC has a contractual agreement with TDI. Therefore, if a decision were made to select a new subcontractor, the PUC would have to approve the subcontractor.

Ms. Reitzes stated that there were DBE obligations under the contract with TDI and that the selection of a substitute subcontractor would have to be evaluated for performance of TDI's DBE obligations under the contract. Therefore, the only obligation of PUC under the contract would be to approve the subcontractor, provided they meet all DBE requirements under the contract.

Commissioner Walker asked what other requirements, besides the DBE obligations, does the PUC have for the subcontractor. Ms. Reitzes stated it was basically TDI's obligation to determine if its subcontractor was capable of fulfilling the obligations of TDI.

Commissioner Toupin requested that staff review all elements of this situation and report back to the Commission with their recommendations. Commissioner Flynn moved that authority not be granted to the General Manager to approve or disapprove the substitution of a new DBE subcontractor but to report back to the Commission as to the subcontractor which qualifies for the Commission's approval. Commissioner Toupin seconded. The motion passed. President Chiesa voted against the motion.

President Chiesa stated that due to the nature of this serious problem that it must be acted upon as soon as possible. She mentioned that she has continued to receive calls from the union that represents the workers employed by the subcontractor, Carders and Posters, Inc., and was dismayed that this matter had not been taken care of sooner.

Mr. John Burton, representing TDI, stated that TDI's subcontractor, Carders and Posters, Inc., had not handled business in an appropriate manner. He said that there had been a breach of good faith and effort on the part of Carders and Posters, Inc. and that TDI found it impossible to work with them any longer due to their inability to supervise their employees properly, to meet their payroll, to resolve problems with liability insurance and the quality of their work.

Mr. Burton requested that Carders and Posters, Inc. be replaced with a new DBE subcontractor. He stated that there was a proposal to hire a local person, Ms. Joan Brann, to become the new DBE subcontractor. Although Ms. Brann had not been in this business before, TDI, with their commitment to disadvantaged business enterprises, would be willing to help her with the technical and financial assistance it would take to start her business. Mr. Burton noted that when Carders and Posters, Inc. started in business that they did not have any experience in carding and posting until they were put in business by Winston, in Washington D.C.

Commissioner Flynn concurred with Mr. Burton's comments but stated that his only reservation was that he did not want to delegate authority to the General Manager to approve the substitution but requested that a recommendation of the substitution be brought to the Commission for ratification.

Commissioner Walker asked if TDI in the interim could continue to operate and perform the functions of the business while staff prepared a recommendation for the Commission's approval on a substitution, so the workers would not be adversely affected. Mr. Burton replied that TDI could operate the business in the interim but that in order to be in compliance with the contract, TDI must annually pay a minimum of \$325,000 to a DBE subcontractor. Presently, he stated that there was no contract existing at this time between TDI and Carders and Posters, Inc., except on a week-to-week basis.

Mr. James M. Christian, Partner, Washington, Christian & Loafman, stated that after reviewing the contract between Carders and Posters, Inc. and TDI, that they regarded the contract as a contract of adhesion and against public policy. Mr. Christian said that Carders and Posters, Inc. was subjected to economic duress and economic strangulation by TDI and for this Commission to approve the substitution without allowing Carders and Posters, Inc. the opportunity to present their side would be unfair. He stated that Carders and Posters, Inc. takes the position that it had fully and competently performed its obligations under the subcontract agreement with TDI and that the allegations made by TDI were unfounded. Mr. Christian said that the bottom line was that Carders and Posters, Inc. just wanted an opportunity to perform the carding and posting services within the framework of a fair and equitable contractual relationship, and they could not accept that the PUC would allow TDI to take over the carding and posting operation. The issue should be addressed first as to whether or not substitution is warranted. While that decision is being formulated, Carders and Posters, Inc. should be afforded the opportunity to continue its operations under its contractual relationship with TDI.

Ms. Karen Coleman, President, Carders and Posters, Inc., stated that nothing could be more important than to continue their operation of carding and posting of advertising for the PUC under fair and equitable conditions. Contrary to assertions made by TDI, she said that Carders and Posters, Inc. have always met their obligations under the contract in a highly sufficient and competent manner. Ms. Coleman stated that they were quite shocked at TDI's effort to remove them as a recognized DBE firm. She was of the opinion that TDI had engaged in conduct designed to discredit Carders and Posters, Inc.'s exemplary record in all markets and to specifically bring into question its performance. She noted that TDI was their sole source of revenue, thus putting TDI in a position to directly impact their ability to meet its payroll and other on-going financial obligations by simply manipulating the timing and amount of its payments. Despite TDI's consistent failure to compensate Carders and Posters, Inc. in a full and timely manner, they have continued to fulfill their obligations.

Ms. Coleman appealed to the Commission to direct that TDI and Carders and Posters, Inc. continue to carry out their contractual expectations on a level playing field where both fairness and equitable treatment were the guiding principles in their evaluation.

Mr. J. B. Martin, representing Automotive Machinists Union, Local 1305, stated for the record that he recalled that 19 or 20 years ago Metromedia had the contract for advertising and that at that time City employees were the skilled craftsmen who were responsible for mounting the frames for the advertiser. Metromedia came before the Commission and convinced the Commission to award the whole contract to them, which included advertising and maintenance. The union was opposed to the Commission's decision and brought to the Commission's attention that there was a permanent Muni employee assigned to this work. Metromedia agreed to hire that individual, sign a union contract, and pay the prevailing rates. All went well for a number of years with no problems.

Mr. Martin was of the opinion that from day one of the contract, employees of Carders and Posters, Inc. had been exploited and were currently being exploited in one way or another. He stated that he did not care who received the contract, as long as there was no exploitation of employees and that the current prevailing rate was paid. Mr. Martin said that he hoped the Commission would give careful consideration to this issue.

Mr. Bob Owen, representing the Sign and Display Union, stated that their union represents most of the workers at Carders and Posters, Inc. He said the problems the workers have had were not something that happened within the last couple of weeks or months but had been occurring since 1985. Mr. Owen mentioned that prior to renegotiating their 3-year agreement with Carders and Posters, Inc., he wrote a letter last year to TDI documenting the various problems they had with medical coverage, retirement payments, initiation fees and equipment.

Mr. Owen noted that TDI's contract with Carders and Posters, Inc. expired in October, 1991 and that TDI was not going to renew their contract with them. Meanwhile, he stated that the morale of the workers was bad due to the uncertainty of their jobs. TDI opened a separate operation performing carding and posting services. As a result, several workers left Carders and Posters, Inc. and went to work for TDI. Mr. Owen remarked that he would like to see this issue resolved as soon as possible because it is the workers who are the ones who are suffering, not knowing which entity they will be working for.

Mr. Mike Cook, representing Automotive Machinists Union, Local 1305, remarked that within the last two years Carders and Posters, Inc. has not had an attitude of good faith towards its employees. He made reference to an ex-employee, Andy Parangan, who was laid off without notification over two weeks ago and was still owed his vacation, had not been advised of the status of his layoff, and had never had current medical coverage in over three years. Mr. Cook also said that Carders and Posters, Inc. had not responded to several letters from the union to meet on various grievances. He stated that he did not want to do business with Carders and Posters, Inc. now nor in the future. He said that he wanted to see a substitute DBE firm that would take care of business in a trustworthy manner.

Mr. Andy Parangan, Jr., former employee for Carders and Posters, Inc., stated that in 1977 he was hired by Metromedia to do framework, maintenance and repair for advertising on Muni buses. He said that he did not start having problems with his employer until Carders and Posters, Inc. took over. At that time, he stated that he was accused of not performing his work and was accused of stealing. He also stated that Carders and Posters, Inc. had not paid for his health plan or workers' compensation payments in a timely manner.

Mr. Vern Coleman, Vice President and General Manager, Carders and Posters, Inc., expressed his personal offense at the allegations made by TDI and union representatives.

Mr. Washington Johnson, Operations Manager, Carders and Posters, Inc., stated that he was in charge of the day-to-day operations of Carders and Posters, Inc. He remarked that the allegations brought forth by TDI were unfounded and the issues and circumstances that have arisen are a direct result of the nature of the relationship between TDI and Carders and Posters, Inc. With respect to payroll, he said that the changes that have occurred recently are the direct result of delays in payments by TDI. Mr. Johnson indicated that the only source of income was from their prime contractor and if that income was not received in a timely manner there would be difficulty in meeting payroll and other expenses required to operate the business.

Mr. Burton said that he wanted to make three points: 1) that TDI was the only bidder for this contract, knowing they would take a loss because of the exclusion of tobacco and alcohol advertising; 2) that Carders and Posters, Inc. had received over the years \$2 to \$3 million from TDI for various contracts; and 3) that if Carders and Posters, Inc. has a problem with TDI it is a matter for the court to determine the damages. Mr. Burton stated it was the right of any business to be able to determine who its subcontractors should or should not be.

Commissioner Flynn made a motion to instruct TDI to put the operation in the same place it was before this incident arose. Specifically, that TDI not solicit from Carders and Posters, Inc.'s employees and that they make payments as they were originally proposed in the contract for the period of time that it takes the General Manager to come to this Commission with a recommendation. Further, that Carders and Posters, Inc. be responsible for and must pay any dues, wages, etc. due during this period to the various unions until this Commission makes a decision on who should receive the contract. The motion died due to lack of a second.

Mr. Elzey remarked that if TDI were to replace their subcontractor without Commission approval, they would be in violation of their contract. He stated they would also be in violation of their contract if they were to continue to operate without meeting the DBE requirements set forth in the contract.

Mr. Arnold Baker, Contract Compliance Officer, Public Utilities Commission, stated that TDI submitted a five-year plan at the time they submitted their proposal. In that five-year plan they designated the subcontractors they would use throughout the life of the contract, which was Carders and Posters, Inc. Mr. Baker said at the time of execution of the contract he requested that a letter of commitment be submitted by TDI requiring them to work with PUC staff related to any situation having to do with a substitution.

Commissioner Walker made a motion moving that TDI conduct the business as per the contract and that this would not constitute a breach of contract and that the General Manager bring his recommendation back to this Commission no later than the first meeting in January 1992.

Ms. Robin Reitzes stated that the contract itself required that TDI spend \$325,000 in an annual expenditure for DBE participation. Ms. Reitzes remarked that TDI does not have to retain the same DBE subcontractor for the duration of five years if problems were to arise. She said it was incumbent upon the PUC to approve any new DBE subcontractor.

Mr. Don Allman, representing TDI, stated their position was that they could no longer continue working with Carders and Posters, Inc. Respectfully, he requested that TDI be allowed to operate the business during the interim period and work with the General Manager to submit a recommendation to the Commission of a certifiable substitution.

Commissioner Walker asked what happens in the interim. Ms. Reitzes responded that the Commission could request that for the time it takes the General Manager to come forth with a recommendation that both parties, in good faith, agree to continue to provide services. Commissioner Walker withdrew her motion.

President Chiesa suggested that somebody make a motion instructing the General Manager of Public Utilities to come back to this Commission no later than the next Commission meeting with a recommendation to this Commission for action. In the interim, the Commission expects TDI to live up to its existing contract with this Commission. Commissioner Toupin moved President Chiesa's suggestion. Commissioner Walker seconded.

On motion of Commissioner Toupin, seconded by Commissioner Walker, Resolution No. 91-0401 was approved.

Public Comments

Mr. David Pilpel commented on the public meeting held jointly by Caltrans and the Department of Parking and Traffic addressing the Route 280 Management Plan. He was of the opinion that these various agencies were not communicating with the Municipal Railway regarding this project and that they should observe the Transit First Policy and coordinate with Muni.

Mr. Pilpel also complimented staff on the public meeting held at Commador Sloat School pertaining to the J & M Terminals. He remarked on the self-service fare collection proof of payment system.

Finally, Mr. Pilpel requested that a separate set of calendar items be available to the public for review prior to the Commission meeting.

Ms. Romaine A. Boldridge, Secretary, Public Utilities Commission, brought to the attention of the Commission a memorandum received from the Municipal Planners Association, Local 21 in the Department of City Planning concerning their ability to be able to fulfill contracts that departments are awarding to private consultants.

THEREUPON THE MEETING WAS ADJOURNED: 5:35 P.M.

Romaine A. Boldridge
Secretary

